ARGYLL AND BUTE COUNCIL

AUDIT AND SCRUTINY COMMITTEE

CUSTOMER SUPPORT SERVICES

16 MARCH 2021

PERFORMANCE MANAGEMENT REVIEW UPDATE

1.0 EXECUTIVE SUMMARY

1.1. The purpose of this report is to provide background information on the Performance Management Review including an update on the current status of this project.

1.2. Members are asked to consider and note the update on the Performance Management Review.

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PERFORMANCE MANAGEMENT REVIEW UPDATE

2.0   INTRODUCTION

2.1   The purpose of this report is to provide background information on the Performance Management Review including an update on the current status of this project.

3.0   RECOMMENDATIONS

3.1   The Audit and Scrutiny Committee are asked to consider and note the update on the Performance Management Review.

4.0   DETAIL

4.1   In September 2020, the Audit and Scrutiny Committee considered the findings report and recommendations from the Accounts Commission on the Controller of Audit Scotland's Statutory Report on the Council. The report concluded that the Council's public performance reports do not provide a clear picture of how well the council is performing against its corporate outcomes and consequently one of the recommendations is to improve performance management reporting to provide a balanced picture of long term trends in performance against its targets.

4.2   The Committee will also recall that the accompanying Best Value Action Plan presented by the CEO (and agreed by the Council in June 2020) sets out in the second objective (BV2) a series of activity in direct response to the recommendation. Jane Fowler was appointed Senior Responsible Officer (SRO) to appoint a project lead and oversee the development of the project; the CEO remains the Project Sponsor. A full update on the Best Value Action Plan can be found elsewhere on the agenda.

4.3   A Project Initiation Document was approved by the Strategic Management Team in September 2020 and agreed the key objectives as follows;

a) Move to a culture of managing performance and driving improvement that informs decision making at all levels.

b) At the highest level, create a system that reports progress and long term trends against our corporate outcomes as set out in the Corporate Plan and the Argyll and Bute Outcome Improvement Plan (ABOIP).

c) Use benchmarking to drive continuous improvement.

d) Demonstrate the link to corporate outcomes and budget decisions

e) Improve reporting of performance information to members that supports effective scrutiny.

f) At an operational level create a system that provides key information to allow decision makers to take action to achieve the required performance, rectify issues and drive continuous improvement, where possible in real time.

g) Provide timely and meaningful public performance reporting and scrutiny.

h) Create a system that supports empowerment and accountability.

4.4   The Strategic Management Team also agreed on the need to bring in an external expert to guide the project team and provide expert facilitation of a series of workshops that are core to developing the project.

4.5   The project is set out in three key phases as follows;

1) Understanding, Information and Motivational Effects

a. Review of current practices and identification of main areas for improvement.

b. COSO/Members virtual workshop – increase awareness and engagement

      c. Stakeholder Virtual Workshops – identify priorities, stakeholder's needs and review measurement practices.

2) Strategy Map (see para 4.6 below for description).

      a. Data and Gap Analysis

      b. Workshops with selected group to draft strategy map.

3) Designing the Performance Management System

      a. Finalise review of performance indicators and dashboard

      b. Define proposed performance indicators and modification of existing ones

      c. Selection of key performance indicators

      d. Formal agreement on new system

      e. Development of material for stakeholders

      f. Production of final report

4.6   In relation to the second phase, strategy maps are an organisational tool designed to help translate and implement strategy into operational terms and to communicate to employees how their jobs relate to the organization's overall objectives. The strategy map is created via collaborative processes to enhance buy-in and commitment toward the strategy. Through strategy maps, it is possible to visualize how different parts of the organisation contribute—directly or indirectly—to the organisation's overall performance. Moreover, strategy maps can be used to help identify appropriate performance indicators associated with the objectives.

4.7   The project is currently on track and activity completed during phase 1 includes;

- Online survey with Chief Officers and Senior Officers
- Online survey with Elected Members
- Workshops with Chief Officers and Senior Officers (x4)
- Members Seminar 25.01.21
- Commenced survey to gather data on how performance is used.
- Stakeholder Workshops (commenced 22 February 2021)

4.8   Phase 2 will commence mid-March 2021 and will include a second Members' Seminar 23 March 2021. The key components of phase 3 as described

above will be completed by end of summer 2021 with a report including recommendations on a revised approach to performance management by the autumn of this year.

4.9 With regards to a future ICT system (i.e. Pyramid replacement), this is being developed in parallel to the phases described above and will commence in March 2021 once phase 1 is complete.

5.0 CONCLUSION

5.1 In direct response to a recommendation from the Accounts Commission to improve performance management reporting to provide a balanced picture of long term trends in performance against targets, the CEO put in place resources and a mandate to deliver activity set out within the Best Value Action Plan (BV2) as presented elsewhere on the agenda to deliver this.

5.2 This report provides an overview on the approach, activity to date and future planned on activity. This project is currently on track.

6.0 IMPLICATIONS

6.1 Policy; none.

6.2 Financial; none.

6.3 Legal; none.

6.4 HR; none

6.5 Fairer Scotland Duty: none

6.5.1 Equalities - protected characteristics; none

6.5.2 Socio-economic Duty; none

6.5.3 Islands; none

6.6. Risk; failure to implement a key recommendation from Accounts Commission Best Value Audit findings.

6.7 Customer Service; none.

Jane Fowler

Head of Customer Support Services

19 February 2021