

## Overview and Scrutiny Board 30<sup>th</sup> May 2012

### Warwickshire County Council's approach to Performance Management Reporting

#### Recommendations

- 1) That the Overview and Scrutiny Board note and comment upon the report which provides the Board with the results of consideration as how best to improve performance management reporting to Members.
- 2) That the Overview and Scrutiny Board approve the formation of a Performance Working Group as described in Section 3.

#### 1.0 Background and Introduction

- 1.1 Over the past 12 months the reporting of performance information to Members has evolved to present a more integrated picture of organisational health – bringing together performance information alongside financial information. At year end this will also include key risk information. This has enabled Members to receive a more rounded set of information about the organisation so as to better inform their decision making and scrutiny role.
- 1.2 At present, the receipt of performance information by Elected Members includes:
  - Cabinet – quarterly integrated performance, finance and risk information drawing from all performance measures contained within the Corporate Business Plan and 18 Business Unit Plans.
  - Audit and Standards – half yearly reports, containing information as presented to Cabinet. Audit and Standards receive these reports after formal consideration by Cabinet.
  - Overview and Scrutiny – reporting dependent upon the requests of the respective O&S Chairs but generally the same information that is reported to Cabinet is presented to each of the O&S Committees.
  - Overview and Scrutiny – ad-hoc and specialised reporting seeking to responds to specific enquiries/queries.
- 1.3 A key issue for Members has been to ensure that the reporting and wider sharing of performance information to Members was fit for purpose. A key consideration is engagement with Overview and Scrutiny Committees. In October 2011, dialogue with the individual Overview and Scrutiny Chairs requested that the views of each Overview and Scrutiny Committee be sought as to whether the performance management reporting arrangements currently in place were meeting the needs of the respective O&S Committees and its individual members.

- 1.4 This report seeks to present the result of that engagement back to the Overview and Scrutiny Board and to recommend a suggested way forward in relation to reporting performance management information to Overview and Scrutiny.

## **2.0 Summary of feedback from Overview and Scrutiny Committees**

- 2.1 During December 2011 and January 2012, Phil Evans, Head of Service Improvement and Change Management, attended each of the Overview and Scrutiny Committees to engage with Members regarding their thoughts, experiences and expectations of Performance Management reporting. The full notes of these discussions are available within the minutes of individual meetings, in summary the key points were:
- Roles and responsibilities of Members, especially the different roles of Cabinet and Overview and Scrutiny and Audit and Standards, in relation to Performance Management need to be made clear.
  - Clear presentation of information is vital – it needs to be concise and exception based so that Members can focus on the areas in need of improvement.
  - Information needs to be timely if Members are to add real value through effective performance management.
  - As such performance information doesn't always have to come through the traditional channels of quarterly performance reports.
  - Members need to be equipped with the skills and tools to enable them to gain maximum value from the information they receive.

- 2.2 This feedback has been shared with and discussed with the Overview and Scrutiny Chairs and those discussions have helped shape the suggested arrangements set out in Section 3.

## **3.0 Way Forward**

- 3.1 As part of the planned review of the Council's Constitution set out the respective roles and responsibilities of Cabinet, Overview and Scrutiny and Audit and Standards in relation to Performance Management.
- 3.2 It should be noted that pending that review, the Overview and Scrutiny Chairs agreed a principle in relation to target setting whereby Overview and Scrutiny Committees did not seek to set or influence the setting of performance targets within the Corporate Business Plan for 2012/13 which were agreed by Cabinet. This it was felt helped to provide greater clarity around the respective roles. Overview and Scrutiny will seek to scrutinise the performance of the organisation against those agreed targets in year.
- 3.3 Given the recognition of the need to ensure that performance management information is both timely and presented in fashion which aids easy analysis and recognising the constraints around Cabinet and Committee reporting deadlines, limited time within meetings to analyse detailed performance management data, resource availability and to date many differing attempts to present performance

management information to Members, the proposal is that a dedicated Member Working Group be appointed by the Overview and Scrutiny Board to undertake a detailed review each quarter of available finance, performance and risk information. This will allow Members greater time to interrogate the data and understand this information, thereby leading to a more informed process of review and scrutiny. Timing and sequencing of the process will need to be formalised for the forthcoming year as will a mechanism for reporting back the outcome of the scrutiny process both to individual O&S Committees and to Cabinet.

- 3.4 It is anticipated that the key outcomes that will be delivered by the Member Working Group will include:
- Allowing Overview and Scrutiny Members additional and valuable time to interrogate the data and understand complex information.
  - Reinforcing the role Scrutiny provides in monitoring and 'holding to account' Portfolio Holders for performance within their areas and providing a 'critical friend' challenge to any issues of underperformance.
  - Scrutiny will assist Cabinet to identify key areas for improvement and submit recommendations aimed around improving the Council's service delivery and financial stability.
- 3.5 Subject to agreement by the Board, it is suggested that the membership of the Member Working Group initially include the Chair and Vice-Chair of each Overview and Scrutiny Committee (OSC), with the flexibility for other OSC members to be co-opted onto the Group. The Chairs and Vice-Chairs also have the opportunity to relinquish their place on the Group to another member of the Committee, if they do not wish to participate.
- 3.6 The Overview and Scrutiny Chairs and the Portfolio Holder for Workforce and Improvement are supportive of the proposal.
- 3.7 It is important to note that although the Working Group has been referred to at this stage as the 'Performance Working Group', it is the intention that this group would receive a range of information covering the 'organisational health' of WCC such as performance data, financial information, risk, customer insight etc in line with on-going developments to provide an holistic 'one organisation' Performance Management Framework.

#### **4.0 Next Steps**

- 4.1 If the Board agrees to the establishment of this Working Group, it is proposed that the following next steps are undertaken:
- The first meeting of the Working Group is convened to coincide with the reporting of 2011/12 Year End information which is to be received by Cabinet on the 14<sup>th</sup> June. It is recommended that this meeting would be used to explore with the Working Group their future requirements in terms of the look, style and content of information received. The Year End report received by Cabinet would form the basis for these discussions.

- The second meeting of the Working Group is scheduled for September. It is recommended that this meeting is used as an opportunity to provide Members with some learning and development in order that they can maximise the value of scrutinising the information presented to them. This would also be an opportunity to check that the Working Group content with the first draft of the information presented according to their requirements set out at its first meeting in June.
- Subsequent meetings are scheduled ahead of Cabinets quarterly consideration of the integrated reports.

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