

Decision maker: Governance, Audit and Standards Committee, 27th September 2012

Subject: Corporate Performance in the Transforming Organisation, Quarter 1 2012-13

Report by: Head of Audit and Performance Improvement

Wards affected: N/A

Key decision (over £250k): N/A

1. Summary

- 1.1 The 2012/13 performance management update presents to members the progress during the last quarter in the development of a new performance framework for the organisation.

2. Purpose of report

- 2.1 To highlight issues of corporate performance emerging from the corporate performance framework in Portsmouth City Council and to update the Committee on progress with issues previously reported.

3. Recommendations

- 3.1 The Governance and Audit Committee are asked to note and comment on the report.**

4. Context

- 4.1 The organization has previously supported recommendations for an approach to corporate performance monitoring in the organisation which moved away from monitoring lists of indicators to a more open-ended model, which took business plans for services as the starting point. It was agreed that as regular discussion on the progress against business plans took place on a one-to-one basis between SDs and Heads of Services, and in DMT discussions, the quarterly discussions at SDB should focus on areas that service heads felt were blocks or barriers, or areas where awareness needs to be built. It was also agreed that areas of particular good practice or wider relevance should be shared for learning.
- 4.2 The first round of discussions, at the end of 2011/12 surfaced a number of issues about service performance, but also some wider issues around the corporate culture. In response to this, a session was held at CTB to discuss some of these issues more generally, and to consider how these might be tackled collectively. Ongoing work on developing a set of articulated behaviours

in the organisation supports some of this discussion, as does the drive towards a common organisational goal, both of which will be discussed later in this report.

- 4.3 This report summarises the discussions so far on business plans for Q1, 2012/13, and progress against the issues raised in the previous discussion round, as well as new developments to be aware of.

5. Issues arising from Q1 discussions

- 5.1 The following key issues have arisen from discussions between service heads and SDB over the summer:

- In relation to Revenues and Benefits, whilst performance remains broadly on schedule and target, there are some concerns about the effect of large scale changes in the welfare system on the service, particularly given that a number of uncertainties exist. There is a particular concern about staff morale and turnover, and steps are in place to try and mitigate some of this risk.
- In relation to Community Safety and Health Development and Improvement, there was a discussion about the extent to which links are being forged in some key areas of work, particularly around substance misuse and domestic violence, which is proving helpful in achieving on outcomes.
- For Adult Social Care, the conversation focused, probably unsurprisingly, on the challenge of meeting the budgetary challenge for the service, against a fast developing national agenda. The local priority continues to be finding creative ways to meet care needs which reduce dependency on long-term domiciliary care or day care, and the key to this is seen to be integration of services around reablement and rehabilitation (a topic previously discussed at the G&A committee).
- Customer, community and democratic services – Concerns were raised about equality impact assessments across the organization, and how the findings from them are captured, particularly in relation to the budget. There was also a need raised to develop work on customer insight, again, a topic previously discussed at this committee. Some early concerns around the operation of the Helpdesk were flagged and it was agreed that in the Autumn management action would be taken to address some risks.

- 5.2 In terms of key themes emerging, these can be broadly categorized as around:

- challenges of maintaining performance in a period of diminishing resource, and how oversight can be retained. This links strongly with the wider transformation agenda for the organization.
- Role of service planning and how to make this fit for purpose in a period where the pace of change is unprecedented; what is the capacity available to

support processes and how does this link to the wider corporate governance agenda

- Points of reference for performance – with less benchmarking data available, and routinely referred to, and with a greater emphasis on services self-reporting, how is corporate oversight maintained to ensure nothing is missed and performance across the board is at an expected and accepted level? How can challenge effectively be given?

5.3 These issues are to be explored and developed further throughout the autumn, including in relation to major piece of work on Value for Money in the organization. These may also be issues where there is a particular role of the GAS committee, linked to the wider governance framework.

6. Progress since the last quarter

6.1 Since the last report to Governance and Audit Committee on performance, progress has been made on a number of issues that directly relate to the organisation's ability to perform highly.

6.2 Organisational goal

Work on developing an organizational goal has progressed and this is now being cascaded through the organization. In essence, it was felt that it was essential for the council to set out what it is trying to achieve, so that staff know how they contribute and we retain focus on what's important. It was felt that the previous list of corporate priorities, whilst still articulating issues of fundamental importance to the council, did not work to explain what we're here to do, and had limited relevance in the current organizational context. So, the goal of "working together to shape our great waterfront city" has been articulated, with a number of supporting themes, and teams across the council are currently being asked to think about how they make a difference to this. The findings from these meetings will be used to shape our ongoing communications on this issue, and to develop the idea of a great waterfront city, and the local authority's role within it, further.

6.2 What is important is that we have moved away from a mechanistic framework based on a single Corporate Plan with a list of priorities, to a more fluid and dynamic model that instead seeks to unite the organization behind a single goal and ensure a unified direction of travel. This is underpinned by the Shaping the future of Portsmouth vision and strategy, and a number of supporting narratives which are being developed, including around the Schools Strategy. Work to pull the strands together will develop further following the staff feedback.

7. Values and behaviours

7.1 The council now has an articulated set of values and behaviours, which are the PCC "Ways of Working". These set out the behaviours and attitudes that staff in PCC are expected to embody in their work. This is critical in making the link

between the organizational aims, and the personal role in achieving them. The ways of working are being incorporated in internal communications, and rolled out into the refreshed Personal Development Review (PDR) process, which is compulsory across the organization. The impact of this work will be considered as a next phase, and may link to the Employee Opinion Survey.

- 7.2 It may be, that this is an area of particular interest for the GAS committee, with the incorporation of work on standards.

7.3 Cultural and inter-service relationships

As previously reported, a number of the issues raised were about how as an organization, we work corporately and collectively to address challenges, rather than in service silos. There were concerns about how empathy and understanding were fostered across the senior leadership group, and how a collective view of priorities was developed and shared.

- 7.4 Clearly, the work on the organizational goal and values and behaviours has resonance here, but an undertaking was also given to explore these issues in more detail. A letter was sent from the Chief Executive to Heads of Service, inviting a discussion on this, which took place in May. As a result, a number of changes in ways of working across senior management have been proposed and will be developed as part of the recent restructure.

8. Moving forward

- 8.1 Clearly, performance management remains a challenging issue for the organization, but despite this, there remains a strong level of engagement with the issues and challenges at a senior level of the organization. It is a complex agenda and finding the balance between an empowering corporate framework that allows service heads to focus on what's important, and a framework that places demands in order to ensure an appropriate level of oversight, is difficult.
- 8.2 Nonetheless, it is worth reflecting that the organization is clearly in a very different place to where it was when mandated frameworks were introduced in the late 1990s, and lessons have been learnt from these. For example, discussions about risks and mitigation are now routine, even if they are not labeled as such. Equally, there is ongoing consideration to how initiatives support objectives and outcomes. Monitoring of performance information at a service level is embedded. The core issue is how this translates into a functional, dynamic and empowering corporate debate, and work will continue on this.
- 8.3 In early 2013, the Council will invite a team of Peer Reviewers supported by the Local Government Association (LGA) into the organization to provide some feedback on how effectively we are maintaining a focus on service improvement against a backdrop of reducing resource. This will provide us with useful information and areas to think about more, and will be valuable as part of the performance management process.

9. Equality impact assessment (EIA)

9.1 An Equality Impact Assessment will be carried out alongside the development of the new framework to ensure that full consideration is given to equality issues.

10. Head of legal services' comments

10.1 There are no Immediate legal implications arising from this report.

11. Head of finance's comments

11.1 There are no financial implications to bring to member's attention at this stage. However, it should be noted that there could be further financial implications following further exploration of any of the performance issues raised in this report, and related future reports could result in financial implications. These will be flagged to members at the appropriate time.

Signed by: Jon Bell, Head of Audit and Performance Improvement

Appendices: None

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
1. Various emails and reports relating to performance data	Strategy Unit
2. Corporate Plan 2010 – 13	www.portsmouthcc.gov.uk

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by Governance, Audit and Standards Committee on 27th September 2012.

.....
Signed by: