

**Title of meeting:** Governance and Audit and Standards Committee

**Date of meeting:** 30<sup>th</sup> June 2017

**Subject:** Performance Management update - Q4, 2016-17

**Report by:** Director of HR, Legal and Performance

**Wards affected:** n/a

**Key decision:** No

**Full Council decision:** No

---

## **1. Purpose**

- 1.1 To report significant performance issues, arising from Q4 performance monitoring, to Governance and Audit and Standards committee and highlight areas for further action or analysis.

## **2. Recommendations**

- 2.1 The Governance and Audit and Standards Committee is asked to:
- 1) note the report;
  - 2) note the overall improvement in quality of reports, and the commentary from the Deputy Chief Executive at section 5
  - 3) comment on the performance issues highlighted in section 3, including agreeing if any further action is required
  - 4) Agree the actions proposed in section 4.

## **3 Background**

- 3.1 This report is part of the regular series of quarterly report highlighting significant performance issues across the organisation, and is compiled against the areas identified in 2016/17 baselines report, presented to committee in June 2016.
- 3.2 In compiling reports, directors are asked to consider:
- 1) Priority performance areas
  - 2) Risks
  - 3) Projects
- 3.3 Previous meetings of GAS identified that the reports being received were falling short of the expectations of members, and Directors have been reminded of the expectations. There was a request for more contextualizing information, to allow members to make informed judgements about the information presented. It was

also made clear that the expectation is that reports cover the full breadth of Directorate activity. These messages were communicated to Directors, along with templates tailored to be more specific and ensure that there is broader coverage of activity. Directors have been asked to make use of readily understood RAG (red; amber; green) terminology to describe perspectives where:

- Green is improving; exceeding or on plan
- Amber is no change or some degree of uncertainty about performance
- Red is deterioration; failing to achieve plan; or a high level of concern.

- 3.4 In order to provide more assurance to members around the management of performance, projects and risk, and to enable discussion on these areas, the report is now presented with three appendices, focused on business as usual performance, projects (both business transformational and capital schemes) and risk.
- 3.5 It is clear that from the reports attached at Appendices 1-3 that improvements in quality of reporting continue to be made, and much more detail and analysis is provided. What is notable is that even where service performance can be described more easily in qualitative rather than quantitative terms, there is clear work to place parameters around what the service area is seeking to achieve, and to describe what this looks like, to enable informed discussion.
- 3.6 As is usual, as well as very specific indicators, there are some common themes emerging from the reports, and it worth noting that in some cases these link strongly with areas highlighted in the Annual Governance Statement. The implications of reducing capacity are noted in respect of a number of areas where performance levels may be reducing; but it is worth noting too that in many cases this is highlighted as a price worth paying in order to achieve a reduction in expenditure. Nonetheless, there is a recurrent concern that demand is outstripping capacity to respond. There is clearly a need to ensure that there are clear plans for the resilience of the business; a number of directorate reports make reference to this, including in terms of skills and workforce, and are reviewing services to achieve these. This work also includes reviewing service delivery to ensure statutory provision and provision for the most vulnerable is protected.
- 3.7 The reporting of risks has also moved on, and there is good development in terms of categorising risk likelihood and impact. Of note are significant risks flagged to the Committee for the first time by Adult Social Care.
- 3.8 Governance and Audit and Standards Committee are asked to consider the issues above, and also the summary highlight reports attached at Appendices 1-3, and agree where any further information or action is required.
- 3.9 The committee are also asked to note the contents of Appendix 4. This is a summary of monitoring and proactive activity in relation to asbestos and legionella monitoring in 2016 and is presented to the committee to provide assurance on these important areas of corporate responsibility as agreed in previous discussions relating to the Annual Governance Statement.

#### **4. Next steps**

- 4.1 As stated, improvements to reporting have been made since the last quarter. The summaries now focus much more strongly and analytically on the core performance indicators, and include a sharper focus on risks and projects. This will continue to be developed for the next quarter.
- 4.2 However, whilst the information provided is very extensive, the recent work by Internal Audit highlighted that the Directorate-specific nature of the reports does not necessarily help members to see which are the highest areas of impact in terms of achieving against the objectives of the organisation; and also noted that there are risks in terms of information that is missing, or difficult to triangulate.
- 4.3 The end of a reporting cycle provides an opportunity for the members of GAS to consider if there are changes they would wish to see to the content and format of reporting, and to set expectations for the coming year.

#### **5. Comments from the Deputy Chief Executive**

- 5.1 Reports that have been received continue to improve in quality and provide greater assurance around organisational performance than has previously been the case. The clarity of expectation from members of GAS in achieving this has been very helpful for all concerned.
- 5.2 The content of the reports clearly highlights service specific issues and allows wider themes to be discerned, which is helpful for the committee in identifying issues relating to the wider governance of the organisation. In general terms, the report shows that there are challenges associated with the ongoing reduction of resource and capacity, but that the impacts of these are being effectively mitigated as far as possible.
- 5.3 Some information from the Property directorate and the Port has been submitted for the first time in a considerable period. However, the report from the Property directorate does not cover issues of risk, and is extremely partial in terms of the areas of responsibility addressed. This is a significant ongoing gap in terms of the assurance the committee can derive around the management of performance, projects and risk in the organisation.
- 5.4 A report for the Directorate of Regulatory Services and Community Safety is included, although this directorate has now been disbanded, with areas of responsibility moved to other directors for management. Given the timing of this, it has made sense to present the report in the 'old' format, with returns from the relevant third tier managers provided. The functions will be incorporated in the reports for the new home directorates in the 2017/18 reporting structure.

**6. Equality impact assessment (EIA)**

6.1 Any equality matters arising through performance or value for money consideration will be considered as a discrete process, as separate EIAs will be completed for these areas of work.

**7. Legal Implications**

7.1 The report has incorporated legal implications and accordingly there are no other immediate legal implications arising from this report.

**8. Finance Comments**

8.1 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, Director of HR, Legal and Procurement

- Appendices:**
- Appendix 1- Summary of directorate performance issues, Q4**
  - Appendix 2 - Summary of projects**
  - Appendix 3 - Summary of risks**
  - Appendix 4 - Asbestos and legionella monitoring summary**

**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