

Performance Management Guide

1.0 BACKGROUND

- 1.1 The ability to manage the performance of a council is critical to its success. It enables members and officers to assess whether the organisation is achieving what it set out to do, delivering value for money (VFM) and making life better for its citizens
- 1.2 This guide gives details of the Council's performance management framework as well as information on how performance is monitored and reported.
- 1.3 Performance management involves gathering, analysing and acting on performance information to improve services and the quality of people's lives in the local community. Managing performance is a continuous part of the day-to-day role of councillors and all staff.
- 1.4 To effectively manage performance, Members and staff must be able to demonstrate that:
- They know what they are aiming for
 - They know what they must do to achieve these aims
 - They know how to measure progress towards the aims
 - They are able to detect and take action to solve problems that occur
- 1.5 Effective performance management requires a coordinated approach to planning and review, to enable key decision makers, both political and managerial, to take action and make decisions, based on facts about performance.

2.0 PURPOSE, AIMS AND OBJECTIVES

- 2.1 The purpose of this guide is to give officers and Member clear guidance as to how the Council's performance management framework operates.
- 2.2 The aims and objectives of the Council Performance Management Guide are to:
- Embed performance management into the culture of the Council
 - Fully performance management as an integral part of the corporate and business planning process
 - Ensure that performance information provided to Members is accurate, appropriate and timely to enable them to make decisions
 - Ensure that the Council is focused on its key priorities and that areas of poor performance are challenged
 - Ensure that performance indicators are robust and are SMART i.e. specific, measurable, achievable, realistic and time-related
- 2.3 These objectives will be achieved by:
- Establishing a clear performance management process that is communicated to all officers and Members
 - Clearly define roles and responsibilities for performance management
 - Providing performance management training to officers and members
 - Ensuring that the Cabinet, Audit Committee, Policy Development Groups and the Scrutiny Committee receive quarterly reports on performance indicators and

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takes action to ensure that corrective action is being taken to improve performance where targets are not being met

3.0 PERFORMANCE MANAGEMENT FRAMEWORK

3.1 Mid Devon District Council recognises that to be successful, it must be aware of what it is aiming for, and have a clear vision and focus. The vision for Mid Devon is:

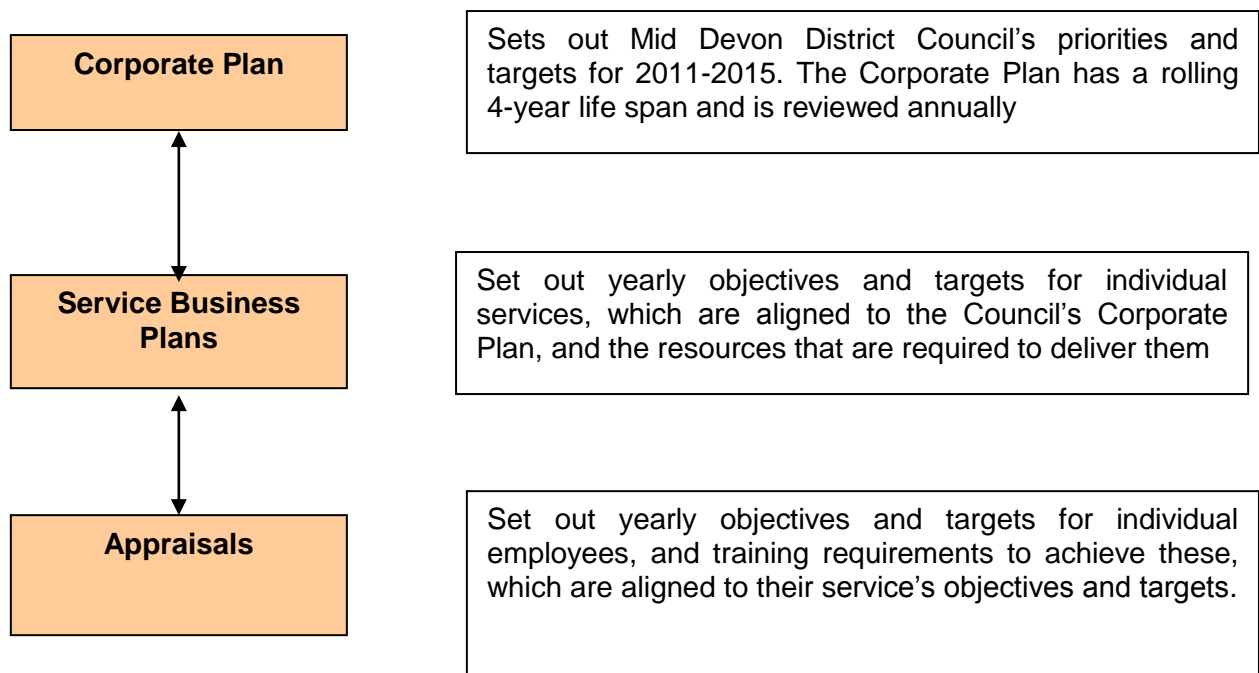
“Working to enhance the Mid Devon area and the quality of life of its citizens”

3.2 This is achieved through the Council’s Priorities, which are set out in the Corporate Plan and are:

- ❑ Thriving economy
- ❑ Better homes
- ❑ Empowering our communities
- ❑ Caring for the environment
- ❑ Managing our resources

3.3 The Council has five priority areas, and these are underpinned by actions and targets for the next four years. The targets are reviewed annually and reported on in an annual performance report published by the end of June each year. The setting of long term aims and priorities that reflect national and community aspirations is just a start, as these can only be achieved if service and individual employee objectives are aligned to them.

3.4 The hierarchy of performance management is as follows:



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3.5 The annual performance management cycle is as follows:

TIMETABLE	ACTION	MONITORING
April	<ul style="list-style-type: none"> <input type="checkbox"/> Start of the new financial year and collection of data for new performance indicators <input type="checkbox"/> Closedown of accounts 	<ul style="list-style-type: none"> <input type="checkbox"/> Quarter 4 performance and risk reports to Committees
May	<ul style="list-style-type: none"> <input type="checkbox"/> Appraisals commence 	<ul style="list-style-type: none"> <input type="checkbox"/> Quarter 4 performance and risk reports to Committees
June	<ul style="list-style-type: none"> <input type="checkbox"/> Annual performance outturn report completed <input type="checkbox"/> Appraisals 	<ul style="list-style-type: none"> <input type="checkbox"/> Annual financial outturn report to Cabinet <input type="checkbox"/> Annual performance outturn report published on website
July	<ul style="list-style-type: none"> <input type="checkbox"/> Budget preparation for next financial year commenced – meetings with all service managers <input type="checkbox"/> Appraisals 	<ul style="list-style-type: none"> <input type="checkbox"/> Quarter 1 performance and risk report to committees <input type="checkbox"/> Monthly financial monitoring commences
August	<ul style="list-style-type: none"> <input type="checkbox"/> Appraisals to be completed by end of month 	<ul style="list-style-type: none"> <input type="checkbox"/> Monthly financial monitoring
September	<ul style="list-style-type: none"> <input type="checkbox"/> Members and MT discuss corporate priorities and budget options (growth and savings) for the forthcoming year 	<ul style="list-style-type: none"> <input type="checkbox"/> Monthly financial monitoring
October	<ul style="list-style-type: none"> <input type="checkbox"/> annual review of corporate plan 	<ul style="list-style-type: none"> <input type="checkbox"/> Quarter 2 performance and risk report to committees <input type="checkbox"/> Medium Term Financial Strategy to Cabinet <input type="checkbox"/> Monthly financial monitoring
November	<ul style="list-style-type: none"> <input type="checkbox"/> review of corporate plan 	<ul style="list-style-type: none"> <input type="checkbox"/> Monthly financial monitoring <input type="checkbox"/> Draft budgets reported to Committees
December	<ul style="list-style-type: none"> <input type="checkbox"/> Draft Corporate Plan discussed at MT <input type="checkbox"/> Confirmation of government grant 	<ul style="list-style-type: none"> <input type="checkbox"/> Monthly financial monitoring <input type="checkbox"/> Draft budgets reported to Committees

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TIMETABLE	ACTION	MONITORING
January	<ul style="list-style-type: none"> ❑ Service managers complete business plans 	<ul style="list-style-type: none"> ❑ Quarter 3 performance and risk report to committees ❑ Monthly financial monitoring ❑ Draft corporate plan to Cabinet ❑ Draft budgets reported to Committees
February	<ul style="list-style-type: none"> ❑ Draft Corporate Plan and budget agreed at Cabinet ❑ Full Council sets the budget and agrees Corporate Plan ❑ Service Business Plans signed off by Management Team 	<ul style="list-style-type: none"> ❑ Monthly financial monitoring
March	<ul style="list-style-type: none"> ❑ Council Tax leaflet published ❑ Service Business Plans signed off by Management Team ❑ Corporate Plan (for next 4 years) published 	<ul style="list-style-type: none"> ❑ Monthly financial monitoring

4.0 ROLES AND RESPONSIBILITIES

4.1 The following groups and individuals have the following roles and responsibilities for performance management within the Council.

GROUP	ROLE	RESPONSIBILITY
Members		
Council	Strategic role in setting vision and direction	Setting the Council's Corporate Plan and Budget
Cabinet	Take the lead role working with Management Team to set out the Council's priorities	Recommending the Council's Corporate Plan and Budget to Council
Committees	Holding officers to account on performance and budget issues and providing constructive challenge	Quarterly performance and risk reports Regular budget monitoring
Members	Keeping a watching brief on the Council's overall performance	Providing challenge on performance issues
Officers		
Management Team	Managing performance and	Setting objectives and priorities

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	setting out what the Councils wants to achieve Ensure action is being taken to deal with poor performance in their service areas	both corporately and for their service area Taking action to deal with areas of poor performance
Service Managers	Working with their Head of Service and their teams to set out what the Council wants to achieve Develop service business plans Appraise staff and ensure that they understand how they feed into the corporate objectives	Setting objectives and priorities for their service area

5.0 OFFICERS ROLE IN PERFORMANCE MANAGEMENT

5.1 Management Team and Service Managers will be involved in drafting the Council's Corporate Plan and their service business plans, communicating this information to their teams. They are also responsible to ensure that members of their team understand how their role plays a part in delivering their objectives in their service business plan and ultimately the Corporate Plan.

5.2 When looking at performance management officers need to consider the following:

- Are our performance indicators relevant to the aims and objectives set out in the Corporate Plan and Service Business Plans?
- Do our performance indicators have SMART targets?
- Are our performance indicators easy to understand and use?
- Are our performance indicators cost effective to collect?
- Are our targets challenging but achievable?
- Is the delivery against the performance indicator within our control or are we reliant on other parties?
- Are our performance indicators focusing on the right areas?
- Are we trying to achieve too many things in too shorter space of time?
- Our performance is not meeting our target – what solutions do we have for rectifying this situation?
- The use of benchmarking to compare and monitor improvement against other Councils
- Encourage scrutiny and challenge from Management Team and Members
- Actively respond to areas requiring improvement
- Ensure that all staff understand their role in managing performance and use it in their day-to-day work

6.0 MEMBERS ROLE IN PERFORMANCE MANAGEMENT

6.1 Members have an important role in managing performance. They need to be clear about what the council is wanting to achieve and how they will monitor and review performance. They also need to be prepared to challenge officers on service performance to ensure that priorities are delivered and the needs of local communities are being met. Members can support improvement by showing they are actively interested in performance and taking action based on what the performance information is telling them.

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6.2 When looking at performance information Members might wish to consider some of the following questions:

- Does this information give me a clear understanding of performance across the Council?
- Do I need training to help me understand performance management?
- Is the performance information I receive concise, accurate, balanced and presented in an easily understandable format?
- Does the information I receive allow me to challenge over and under performance and question whether we are achieving value for money?
- Are we measuring/assessing the right things?
- Is there an answer as to why performance is not meeting the target?
- Why has the variance occurred?
- What are the implications of not meeting the target?
- Is the target correct?
- Is the performance good enough?
- What performance is predicted over the short and long term?
- What action needs to be taken to see improved performance?
- Where there is under-performance when will it be back on track and will additional resources be needed to achieve this?
- Is there a more effective, efficient and economic way of doing things?
- How do others do it?
- What do our customers want? Are we delivering that?
- Is there a connection between performance, money and risk?

7.0 PERFORMANCE MANAGEMENT TRAINING AND AWARENESS

7.1 For the benefits of the Performance Management framework to be realised, it is necessary for the process to be embedded in the culture and operations of the organisation.

7.2 This guide will be available to all officers and Members and the Head of Communities and Governance will provide awareness training to officers and Members

7.3 Head of Communities and Governance will regularly raise awareness of Performance Management through the Officer newsletter (the Link), the Member newsletter (WIS) and through briefing sessions.

7.4 The Head of Communities and Governance will be involved in the induction process for new officers and Members where a session on Performance Management will be included.