

# **POLICY AND PERFORMANCE SCRUTINY PANEL**

**7 FEBRUARY 2019**

## **STRATEGIC PERFORMANCE**

### **Report of the Strategic Planning Manager**

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#### **Recommendations**

It is recommended that

- (1) The Panel comments on the performance against outcome data presented in Appendix A.
  - (2) The Panel comments on proposals for Strategic Performance as detailed in the report.
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#### **Summary**

The Council is developing a new approach to Strategic Planning and is implementing a new Corporate Performance Framework which will link our performance to outcomes for our residents articulated within our theme strategies.

#### **Statutory Powers**

Section 1 of the Localism Act 2011 i.e. the Local Authority's general power of competence, including power to act for the benefit of its area or persons resident or present in its area.

#### **Strategic Implications**

1. This report relates to all of the Council's strategic objectives (from the Corporate Plan 2015-2025).

#### **Introduction**

2. The Council is implementing new ways of working as part of the changes outlined in the Future Eastleigh programme. A significant part of this is the new approach to Strategic Planning and Performance Management. The Council underwent its first strategic annual cycle during 2018/19 which has seen the development of Portfolio and Local Area Plans, and service Business Plans ahead of implementation in 2019/20. This represents a significant departure from previous ways of working and a change in approach across the Council; such a change will take time to be completed and the

process is expected to improve year-on-year. The comments of this Committee are welcomed in supporting further improvements.

3. The Council has developed a new Corporate Performance Framework with a greater emphasis on performance management and how we are performing against our objectives within the Corporate Plan and in particular, the outcomes we have described within our four corporate theme strategies.
4. The diagram below shows the new Corporate Performance Framework which has been developed by the Performance and Governance team and forms the mechanism and approach to how performance will be tracked, monitored and reported on throughout the financial year.
5. Service-based performance will be monitored and reported on monthly through performance meetings between Directors and their Managers. This is an opportunity for Managers to report on how they are delivering against their Business Plan.
6. Strategic outcome performance is owned by the Strategic Planning Team and will focus on how the Council is delivering against its objectives and most importantly, how the organisation is meeting its desired outcomes defined within the four corporate theme strategies. This will be tracked and monitored through quarterly review meetings.



### **Strategic performance - outcomes**

7. The Council's Corporate Plan 2015-2025 details ten high-level objectives. The Council has agreed four themed strategies which give details of the outcomes for residents that the Council is hoping to achieve against the ten objectives.

The strategies include measures of these outcomes and performance against them (Appendix A). This performance will be updated annually.

8. The objectives are varied, particularly in the level of influence the Council has. In many cases the desired outcome is subject to a number of factors external to the Council: the economy, government legislation, actions of other organisations including the public and voluntary sector and resident behaviour. Success in achieving the outcome may also be difficult to measure in the short term.
9. In some cases there is a difficult relationship between the objective and its measure. For example it is not always easy to quantify congestion, wellbeing or a thriving economy. There is often no single measure that corresponds directly with the outcome. A range of measures can be used as proxies or indicators of the desired outcome.
10. While it is therefore advisable to treat outcome measures with some caution, it is nevertheless important to include them in the overall performance framework as they link closely to the Council's vision, purpose and long-term desired objectives, and they indicate the direction in which the Council is travelling.
11. Many outcome measures (e.g. Public Health data) are updated infrequently (annually), so are not useful to track and drive performance within a year, e.g. each quarter. The Council needs therefore to develop useful measures that do provide meaningful information about the Council's success or otherwise in moving towards its objectives.
12. The suggested role of the Policy and Performance Scrutiny Panel is to receive and comment on quarterly strategic performance information after the end of each quarter. (An 'upward' cascade of performance information will take place as soon after the end of each quarter as possible, as quickly as finance and other information can be collated, to be reviewed at team, service, Management Team and then Portfolio level.)
13. It is suggested that strategic-level information should be the starting point for Scrutiny review. Having reviewed the overall performance of the Council, the Panel will be able to invite Portfolio Holders and key officers to explore performance in their theme areas in more detail.

### **Strategic performance - outputs**

14. The Council's annual strategic planning cycle process includes thorough discussion with a range of stakeholders, the identification of key strategic activities, or outputs, that have the greatest influence and impact in achieving the desired outcomes. (This involves careful and creative consideration of the desired outcome, what works, what opportunities the Council has for influence and impact, what is affordable, what is acceptable, what support and infrastructure such activity might need, and what (new) risks might be entailed.)

15. Once such key activity has been planned for (i.e. it is included in future budgets and service Business Plans), the Council is able to measure the delivery and output of that activity. It is proposed that strategic quarterly reviews, involving Portfolio Holders, will consider measures of this activity.
16. Portfolio Plans (aggregated into a single Corporate Action Plan) are currently being developed for 2019/20 which will include this key activity and performance or progress measures to ensure the activity is being delivered as planned. Some activity will be continuous from year to year, while other activity (projects) will have a limited implementation period, sometimes within the year, but often stretching across two or more years. Portfolio Plans will be presented to this Policy and Performance Scrutiny Panel on 14 March 2019. Performance against these activities will be reported to this Committee starting after the completion of the first quarter of 2019/20.
17. Service-based performance will be tracked monthly by managers and Management Team. Output measures in Business Plans can be used to ensure that activity is being delivered to the right standard and quality with sufficient resource and efficiency. If necessary where there is poor performance, operational performance can be examined to find root causes and implement remedies.
18. The Council is required to carry out a range of statutory functions. While it is strategically important that the Council complies with any such requirements, these activities may be less important for achieving the Council's objectives. Compliance issues therefore can be performance managed operationally.

### **Local Area performance**

19. Key activity identified by Local Area Committees is included in Local Area Plans and monitored by Local Area Committees.

### **Financial Implications**

20. Activity relating to strategic outcomes is agreed through the Council's annual strategic cycle and funded through the Medium Term Financial Plan process and Council Budget.

### **Risk Assessment**

21. If the Council is unable to assess its performance there is a risk that it will not continually improve and be able to deliver value for money for its residents.

### **Equality and Diversity Implications**

22. The Equality Act is not relevant to the decision in this report as the decision does not relate to eliminating discrimination, advancing equality of opportunity, or fostering good relations between different people. An Equality Impact Assessment has not been carried out.

## **Conclusion**

23. The report described the principles and processes required for strategic performance management to ensure the Council is delivering Corporate Plan objectives for residents.

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Appendices Attached: 1

### **LOCAL GOVERNMENT ACT 1972 - SECTION 100D**

The following is a list of documents which disclose facts or matters on which this report or an important part of it is based and have been relied upon to a material extent in the preparation of this report. This list does not include any published works or documents which would disclose exempt or confidential information.

Corporate Plan 2015-2025  
Theme Strategies (February 2018)