

AUDIT COMMISSION – PERFORMANCE MANAGEMENT REVIEW

1. Executive summary

- 1.1 Wirral Council has made some significant steps to improve performance management in recent years. In April 2009, the Audit Commission began a review of the Council's performance management arrangements, in order to work with the authority to deliver further improvements.
- 1.2 This report provides the Audit Commission's final report on the findings of the review with an action plan attached at appendix 1. Full copies of the Audit Commission's reports for each stage of the review have been placed in the electronic library on Wirral Council's website. The areas for focus emerging from the review are as follows:
- Further develop the Council's management information arrangements to help services monitor and manage improvements.
 - Review arrangements to ensure that key strategic documents intended to support the delivery of the Corporate Plan are fully aligned to both the Corporate Plan and each other.
 - Strengthen arrangements to promote shared learning, both internally and externally.
 - Review the way that the Corporate Improvement Group (CIG) and Performance Management Group (PMG) function and contribute to the improvement of corporate performance management arrangements.
- 1.3 Much work has already been put into place to address these areas for focus, prompted by the Council's recognition and understanding of what needs to be done to improve its performance management arrangements. However, the review has been a useful catalyst to drive further improvements and an action plan has been developed in response to the Audit Commission findings and is attached as part of appendix 1. The plan has been developed by the Council's Performance Management and Corporate Improvement Groups with approval by the Chief Officers Management Team.

2. Background

- 2.1 Wirral Council has significantly strengthened its approach to performance management and this can be evidenced through the following developments:
- The production of Wirral's sustainable community strategy which sets out a 2025 vision and a three year local area agreement (LAA) to deliver improvements in

partnership priorities. The partnership's approach to performance management has been frequently praised by external bodies including Government Office for the North West during the annual review of Wirral's local strategic partnership / LAA in January 2010.

- The launch of Wirral's 2008/11 Corporate Plan in April 2008 which sets out 5 clear strategic corporate objectives, medium term aims and annual priorities for improvement.
- The development and adoption of a consistent format for departmental business planning to fully reflect the contribution which departments will make towards the Corporate Plan.
- Revisions to both the format and timetable of reports to elected members to combine financial, performance and risk information to enable effective decision making.
- The launch of a revised data quality policy in 2009 and roll-out of data quality training workshops.
- A robust approach to target setting implemented across the Council which has been strengthened through the Council's involvement in benchmarking clubs.
- A range of innovative activity within departments to drive improvements in service delivery including robust project planning, a variety of benchmarking activity and staff engagement through development days.

2.2 The Audit Commission's review was intended to test these developments. The review was divided into a number of stages, the first of which involved an online survey with a range of managers across the Council, and a baseline questionnaire exercise to obtain an initial picture of performance management arrangements within departments. The second stage consisted of a detailed review of arrangements within two Council departments, and a series of focus groups with managers and elected members to seek a wider range of views. The third and final stage of the review culminated with a workshop to identify actions to further improve the Council's performance management arrangements.

3. Findings from Stage One

- 3.1 The online survey was distributed to a sample of 705 staff comprising chief officers and senior, middle and first line managers. 442 responses were received, giving an excellent response rate of just under 63%.
- 3.2 The findings reflect the significant improvements Wirral Council has made in performance management, with the overwhelming majority of the 442 respondents consistently agreeing or strongly agreeing with nearly all of the questions in the online survey which probe the corporate direction, the shared vision, the approach to managing service performance, improving services, improving performance management and improving people management.
- 3.3 Specific findings of the survey which the Audit Commission draw out in their review include the following:
- The sustainable community strategy and corporate plan are generally recognised as strategic drivers (91.9% of respondents either agreed or strongly agreed that there are clear Council-wide strategic objectives, aims and improvement priorities which set out an overall direction for the Council. Also, 85.3% either agreed or

strongly agreed that there are clear departmental and corporate targets for performance and 87.6% of the 442 respondents agreed or strongly agreed that there are clear objectives, standards and targets for their service.)

- The Key Issues Exchanges (KIE) are clearly given high priority throughout the Council and provide an effective means of promoting ownership of corporate and partnership priorities. (81% of respondents either agreed or strongly agreed that they understand how the work they do contributes to delivering our vision and shared priorities. Also, 79.5% either agreed or strongly agreed that they have personal objectives which are linked to service objectives, targets and standards and 79.9% of respondents either agreed or strongly agreed that there is a service / team plan which sets out how service objectives will be achieved).
- Departments are working in a wide range of partnerships and delivering many national and regional imperatives. (71.6% of respondents agreed or strongly agreed that the Council works constructively with its partners to deliver on its vision and shared priorities).
- The Council has a generally strong approach to people management. (94.1% of respondents either agreed or strongly agreed that they understand their role and responsibilities for managing employees in their service, and 80.4% either agreed or strongly agreed that they are familiar with and understand the Council's HR policy frameworks, procedures and processes for managing people).

4. Findings from Stage Two

Departmental tracers

4.1 The Audit Commission visited the Technical Services and Children's Services departments to undertake a detailed review of their performance management arrangements. The Audit Commission provided positive feedback regarding the robustness of the arrangements and the enthusiasm displayed by officers in the departments.

4.2 Details of the Audit Commission findings are provided below.

- Departments have established clear priorities which are being delivered through regular monitoring of action plans. The project planning methodology was considered to be well embedded within Technical Services with elected members actively involved.
- Leadership capacity and development is clearly an important factor in the department's performance management arrangements. Technical Services have developed a management charter which is a commitment to the style of leadership and behaviour of managers. The department also has a commitment to allocate managers a series of benchmarking days to learn from other authorities. This approach to benchmarking has now been rolled out across the organisation. Children's Services also give leadership a high priority ensuring that there is clear leadership at all levels of the department.

- Partnership working is considered to be critical to both departments with benefits identified as; increased capacity, joint decision making and working with partners towards consistent priorities. Children's Services highlighted a focus on improved outcomes through partnership working, with integrated services being developed with dedicated resources.
- Engagement with staff is given a high priority including communicating information on departmental priorities.
- Support from corporate services including Finance, Human Resources and the Corporate Performance Team were cited as essential for consistent working across departments. The Council's Performance Management Group was highlighted as an important mechanism for cross-department discussion and decision making.
- Some issues were identified regarding IT support, with limitations cited regarding the functionality of the Council's performance management system.

Focus groups

- 4.3 Focus groups were held with first line, middle and senior managers and elected members. The purpose of the sessions was to probe the initial survey findings further.
- 4.4 The following **strengths in performance management** were identified by the focus groups held with first line, middle and senior managers:
- Council and partnership performance and planning frameworks described as a "golden thread", meaning that there are clear objectives in place with action planning at all levels and ownership of plans. Partnership working is considered to be a real strength in the organisation.
 - Customer focus was considered to be a key strength within the organisation and a clear commitment to equality is demonstrated by the Council.
 - Staff are engaged and involved in business planning and delivery with increased engagement with members.
 - Improved approach to performance reporting with links between performance and finance. Reports are clear for staff to identify opportunities for improvement and take ownership of issues.
 - There is a more visual approach to performance reporting in some services which makes it easier for staff to make links between finance and performance, take ownership of issues and identify opportunities for improvement. Data quality training has been rolled out across the Council and partners.
 - The corporate role of Chief Officers and the corporate groups established to facilitate the sharing of best practice between departments was identified as a strength.
 - Management and leadership development are considered to be strengths within the organisation

4.5 The following **opportunities for improvement in performance management** where identified by the focus groups held with first line, middle and senior managers:

- A greater understanding is needed of the Council's priorities amongst all staff including front line services.
- A clearer alignment between business plans and the corporate plan was identified as a further opportunity for improvement including alignment of the workforce strategy with the corporate plan, although it was acknowledged that there has been progress in this area.
- Further opportunities should be considered for cross-working across Council departments.
- Value for money was considered to be an opportunity for improvement with further opportunities to be explored across Wirral's strategic partnership. A greater confidence about decommissioning services was also raised.
- Capacity issues were highlighted and further training for new managers and budget holders was requested.
- IT infrastructure issues were identified with a request for more integrated systems.
- Celebrating success was identified as an area which the Council needs to promote further. There is a lot of good practice in the services that are delivered and there is a need to raise its profile and celebrate achievements.

4.6 **Elected members** provided the following feedback to the Audit Commission at the focus group:

- There is a good understanding of personal contribution to corporate objectives and Cabinet members receive regular briefings on areas of responsibility. Action plans required where areas of under-performance are identified.
- The financial performance summary was considered useful with elected members advising that investment has been made in under-performing areas however the impact of this in some cases is yet to be felt.
- A strong process was put into place for determining Wirral's local area agreement priorities.
- Scrutiny committees have developed their own work programmes and are setting up working parties. This arrangement was considered to be working well.
- There is a clearer distinction now being made between reports for information and for decision-making with information items placed in a virtual library, this has enabled committee meetings to be more focused.
- The Council has subscribed to the PricewaterhouseCoopers benchmarking club which will help the Council benchmark performance and ensure that targets are sufficiently challenging.

5 Findings from Stage Three

5.1 The final stage of the review was a workshop session involving Chief Officers, Corporate Improvement and Performance Management Groups, and a range of middle managers across the Council. The workshop was designed to consider the findings from the previous two stages of the review to identify actions for improvement. The feedback from the workshop session was extremely positive by the attendees advising

that the workshop had provided an improved understanding of the challenges faced both corporately, and in departments. Attendees felt that the shared learning aspect of the workshop really helped them to discover about methods used in other departments, which can assist them to improve in their own area of work.

- 5.2 Key elements of performance management which were identified as learning areas by attendees included realising the importance of accurate and relevant data. The group also provided positive feedback on the opportunity to understand more about the good practice that is carried out across the Council and its partners. Overall, the participants felt they gained a greater understanding of performance within different departments, and that they received evidence of improvements within performance management across the whole Council.

6 Financial implications

- 6.1 There are no immediate financial implications for Wirral resulting from this report

7 Staffing implications.

- 7.1 There are no staffing implications for Wirral resulting from this report.

8 Equal Opportunities implications / Equality Impact Assessment

- 8.1 There are no equal opportunities implications for Wirral resulting from this report

9 Health Impact Assessment

- 9.1 There are no health implications for Wirral resulting from this report

10 Community Safety implications

- 10.1 There are no community safety implications for Wirral resulting from this report.

11 Local Agenda 21

- 11.1 There are no environmental implications for Wirral resulting from this report.

12 Planning implications

- 12.1 There are no planning implications for Wirral resulting from this report.

13 Anti-poverty implications

- 13.1 There are no implications for people from deprived communities in Wirral resulting from this report.

14 Social inclusion implications

- 14.1 There are no implications that will potentially exclude individuals or groups from accessing services resulting from this report

15 Local Member Support implications

15.1 There are no local member support implications arising from this report.

16 Background Papers

16.1 Audit and Risk Management Committee – Performance Review Stage 1 report.
23rd September 2009

17 Recommendations

17.1 Audit and Risk Management Committee note the findings of the review outlined within this report.

17.2 Committee members note the Audit Commission's final report and action plan attached at appendix 1.

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