

TITLE OF REPORT: **Performance Management and Improvement Framework -
Six Month Performance Report 2021/22**

REPORT OF: **Darren Collins, Strategic Director, Resources and Digital**

Purpose of the report

1. This report sets out the 6 month 2021/22 assessment of performance against the Council's new Performance Management and Improvement Framework (PMIF) along with the recommendations made by Overview and Scrutiny Committees for improvement. Cabinet is asked to approve the report and proposed actions.

Background

2. A new approach to performance management and improvement was approved by Cabinet on 20th April and agreed by Council on 27th May 2021 with the draft measures and interventions agreed by Cabinet in October 2021. The PMIF has a clear focus on policy and priorities, delivery, measurement and analysis of impact to support effective resource allocation and is based on Thrive and the Health and Wellbeing Strategy.

Six Month Reports

3. The Six Month Performance Report is set out at Appendix 2. The Framework identifies both qualitative and quantitative data to provide an analysis of how the Council is performing against Thrive policy. It focuses on the analysis of performance against each of six Policy Objectives in the Health and Wellbeing Strategy and the Balanced Scorecard. This identifies achievements, challenges and areas for improvement at an overarching level and sets out suggested actions to address these. It aligns these to resources, the budget approach to priority transformation areas and fundamental reviews, connecting priorities, resources and performance.
4. In summary, the 6 month Performance Report identifies areas for improvement across six areas:
 - Increasing demand for Adult Social Care
 - Increasing demand for Children's Social Care
 - Reduction in jobs and quality of jobs
 - Reduction in levels of income preventing people from Thriving
 - Health and Wellbeing e.g. Mental health; Treatment access; Ill health prevention
 - Organisational capacity

Views of Overview and Scrutiny Committees (OSC)

5. Each of the Council's Overview and Scrutiny Committees considered the Six Month Performance Report in its entirety and a 'deep dive' into areas relevant to each Committees remit. The following key themes were identified by the Committees:

- I. **Prioritisation and Thrive Policy** – clearer priorities to achieve Thrive, focus resources to achieve the biggest impact and emphasis on early intervention and reducing longer term demand
- II. **Locality based working** – ensuring that the right approach is taken with councillor and community involvement from the outset and recognising that different approaches may be needed in different areas of Gateshead
- III. **Housing repairs and maintenance** – Housing Improvement Plan and timescales for tackling the issues and backlog to meet housing requirements and standards
- IV. **Place and Environment** – importance of a clean, safe attractive environment to support the health and wellbeing of local people
- V. **Climate Change** – Clarity on actions and progress the Council is making towards its Climate Change ambition with greater communications with local people
- VI. **Employees and Workforce** – Improvements to employee morale and address recruitment and retention

6. Actions to address these are identified in Appendix 1. Committee members expressed support for the new approach to the PMIF and suggested some areas for future development. A copy of the draft minutes from each Committee is at Appendix 3.

Proposal

7. It is proposed that Cabinet consider and agree the performance report at Appendix 2 including the analysis, key actions and areas identified for improvement by Overview and Scrutiny Committees, which are summarised in paragraph 5.
8. These will be taken forward and the PMIF will be aligned to the Budget approach agreed by Cabinet. Further development will take place to address comments made by Overview and Scrutiny Committees, with a Year End performance report and analysis due to be reported in the summer. The development of the PMIF is iterative and will be a tool used throughout the year to manage performance and improvement against priorities and see the impact of policy and resource decisions.

Recommendation

9. It is recommended that Cabinet:
 - (i) approves the 2021/22 six-month performance report (Appendix 2) and the key themes from the Council's Overview and Scrutiny Committees
 - (ii) Notes the areas identified by Overview and Scrutiny Committees at paragraph 5 above and at Appendix 3.

For the following reason:

- To ensure performance supports the delivery and achievements of Making Gateshead a Place Where Everyone Thrives.

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Policy Context

1. The proposal supports the Council's priorities for Thrive by setting out a framework to manage performance against its key priorities for thrive, tackle inequalities and the impact being made on delivery of the Health and Wellbeing Strategy. The Performance Management and Improvement Framework (PMIF) analysis in the report, informs future policy decisions as well as resource allocation to ensure these are focused on Council priorities as part of a broader evidence based approach.
2. The Council's Medium-Term Financial Strategy sets out the financial context for the Council's resource allocation process and budget setting. The proposals support the aims within the Strategy by aligning performance with the overall approach to the budget to support the financial sustainability for the Council ensuring that resources are deployed on the outcomes for making Gateshead a place where everyone Thrives.

Background

3. Performance Management is used by local authorities to identify how well they are delivering outcomes for local people. The Council's current performance framework has been in place for several years and has evolved over time.
4. A new framework was agreed by Cabinet (20 April 2021) and Council (27 May 2021) that better reflects the priorities of the Council – the delivery of the Council's Thrive policy and Health and Wellbeing Strategy.
5. The development of a new approach was taken forward using extensive engagement. Stages included engagement with councillors through Advisory Groups and Overview and Scrutiny Committees. Engagement with employees has taken place on a regular basis through employee workshops and Management Team discussions. Engagement with partners has also taken place at the Health and Wellbeing Board and with the Voluntary and Community sector.
6. The engagement along with research into best practice was used to develop the PMIF and was agreed by Council in June 2021. Following this, the draft content including measures and interventions were agreed by Cabinet in October 2021

Six Month Performance Reports 2021/22

7. The analysis of performance for the 6 month stage against each of the 6 policy objectives of the Health and Wellbeing Strategy and the Balanced Scorecard is set out at Appendix 2. It outlines the challenges, achievements, actions and resources for each policy objective. It also contains performance data including strategic and operational measures, resources and risks.
8. Each Overview and Scrutiny Committee considered the Six Month Performance Report in its entirety and a 'deep dive' into areas relevant to the role and remit of each committee. In summary the key themes identified through the committees are set out below along with some activities to help to address these:

- I. **Prioritisation and Thrive Policy** – Clarity on the Council’s Thrive priorities, the outcomes it is seeking to realise through Thrive and how to best focus resources to achieve the biggest impact with a focus on early intervention and reducing longer term demand
 - Proposed actions include a focus and engagement on Thrive policy. Budget approach priority based transformation review of Thrive and early intervention
- II. **Locality based working** – Ensuring that the right approach is taken with councillor and community involvement from the outset and recognising that different approaches may be needed in different areas of Gateshead
 - Proposed action to address this - following further discussion with a number of partners and Members, a presentation will be made to the April Strategic Housing Board confirming the details of the launch of the first operating model, ahead of a roll out across the whole of Gateshead over the subsequent 12 months.
- III. **Housing repairs and maintenance** – Housing Improvement Plan and timescales for tackling the issues and backlog to meet housing requirements and standards
 - Proposed action to address this - work is progressing on identifying systems issues and why there is so much failure demand; an improvement plan will be in place March 2022, with 3 / 6 / 12 month milestones. Immediate contact centre capacity issues have been resolved ahead of a more permanent solution. This will reduce call waiting times etc
- IV. **Place and Environment** – Importance of a clean, safe attractive environment to support the health and wellbeing of local people
 - Proposed action - Consider the best way to deliver environmental services as part of the zero based budget reviews to ensure the Council is able to deliver its priorities for a clean attractive local environment that contributes to health and wellbeing and addresses councillor concerns. This will part of the overall budget approach agreed by Cabinet and ensuring resources are deployed in a way that achieves the biggest impact on priorities. New measures to more closely reflect environmental standards will be considered in line with the outcome of the review.
- V. **Climate Change** – Clarity on actions and progress the Council is making towards its Climate Change ambition with stronger messages and communications to local people
 - Proposed actions include the current consultation on Climate Strategy which will help to identify issues with meetings to be held with ward councillors mapping findings at a ward level. The Climate Strategy with actions will improve the Council’s score in the annual audit. This will also help with clear messaging on progress.
- VI. **Employees and Workforce** – Improvements to employee morale and address recruitment and retention issues
 - Proposed action - Office of the Chief Executive and Human Resources are developing a framework with actions to support employees and which will consider the impact on employee morale and wellbeing

9. The Committees expressed support for the new approach to reporting and suggested some areas to develop in the future as part of the iterative approach. These will be taken forward as part of the next steps. Comments included:
- The approach was felt to be the right one, particularly with the emphasis on analysis and drawing out key areas for each committee, though this could be developed further with greater emphasis on each in the future
 - The feed-back loops could be strengthened in the next iteration to help with a further deeper dive into areas highlighted through the analysis, with feedback provided on actions undertaken to drive improvement
 - Consideration of development of an online / digital presentation format
 - The use of Direction of Travel arrows was considered to be helpful in understanding movement in performance at a glance
 - Consider new measures for:
 - Environmental service standards
 - Children with SEND / EHCP and impact made through Council activities
 - Include tolerances for measures in the Balanced Scorecard to help understand scale of change
 - Comments relating to clarity on areas such as employment opportunities for younger people and the Council's role in supporting this

Further development and review

10. The approach will be reviewed to check how effective it is in enabling performance management and improvement towards better outcomes. The flexible, iterative approach that has been adopted to develop the PMIF, reflects the changing circumstances that the Council works within and aims to ensure that performance against priorities can be managed in the most efficient and pragmatic way being responsive to changing needs to ensure it will remain fit for purpose.

Alternative Options

11. An alternative option would be to identify alternative actions to address performance, however the activities recommended in the report are based on analysis of performance data and would support delivery of the Council's Thrive policy.

Consultation

12. All Overview and Scrutiny Committees have considered the Six month performance reports. A copy of the minutes of each Committee is attached at Appendix 3. The Leader and Deputy Leader of the Council have also been consulted on the proposal.

Implications of Recommended Option

Resources

13. **Financial Implications** – The Strategic Director, Resources and Digital confirms that the proposal will have no direct financial implications as a result of this report. The proposal aims to align performance with resources and enable better informed decision making.

14. **Human Resource Implications** – There are no Human Resource implications arising directly from this report, although there are areas relating to employees highlighted in the report.
15. **Property Implications** – There are no property implications arising directly from this report.
16. **Risk Management Implication** - The proposals will reduce the risk of the Council not achieving its priorities by enabling effective performance management across strategy corporate priorities.
17. **Equality and Diversity Implications** –There are no direct equalities and diversity implications arising from this report, however the framework has a focus on addressing inequalities.
18. **Crime and Disorder Implications** –There are no crime and disorder implications arising directly from this report.
19. **Health Implications** – While there are no direct health implications arising from this report, the PMIF is based on the 6 policy objectives within the Health and Well-being Strategy so will help to manage performance at a strategic level across a range of wider determinants of health.
20. **Climate Emergency and Sustainability Implications** – There are no climate emergency or sustainability implications arising directly from this report, though the PMIF will seek to manage performance across a range of strategic priorities including climate change.
21. **Human Rights Implications** – There are no human rights implications arising directly from this report
22. **Ward Implications** –There are no implications for a specific ward arising directly from this report, though the framework will include a geographical focus on performance where appropriate.