

TITLE OF REPORT: Performance Management and Improvement Framework - Year End Performance Report 2021/22

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

Purpose of the report

1. This report sets out the year-end 2021/22 assessment of performance against the Council's 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.

Year-end reports

3. The year-end performance reports for 1st April 2021 to 31st March 2022 against each of the 6 policy objectives of the Health and Wellbeing Strategy and the Balanced Scorecard is set out at appendix 2. The report outlines the challenges, achievements, actions and resources for each policy objective. It also contains performance data including strategic and operational measures and is informed by qualitative and quantitative assessment to inform policy and resource decisions and will inform the approach to the Council's budget.
4. The Year End performance analysis highlighted the following key general areas where performance has been challenging and areas of good performance:
 - The continuing impact of Covid 19 on performance including the different external issues and challenges being faced and service disruption
 - Widening inequalities, income levels and the longer term anticipated future impact on issues such as health
 - The demand pressures being faced by services such as in children's and adult social care
 - The impact of EU Exit and the current conflict in Ukraine, rising costs facing local people and in the delivery of services
 - Staffing pressures including recruitment and retention across the Council
 - Progress in key areas such as climate change strategy and engagement
 - The increase and shift towards digital and online services has continued
 - Service performance issues in key areas such as Housing repairs and maintenance

- Levels of support being provided to local people and businesses such as through various grants e.g. Household Support Grant which was aimed to prevent people from going cold or hungry
 - Extremely effective response to vulnerable people throughout the pandemic including the support provided through local hubs, the public health response and work with businesses
5. The year end 2021/22 Performance Report against the Performance Management and Improvement Framework at Appendix 2 was reported to all of the Council's Overview and Scrutiny Committees in June 2022. The draft minutes of the Overview and Scrutiny Committees are at Appendix 3. A summary of strategic themes raised by Overview and Scrutiny Committees is set out below.
- a. **Locality working** - development must meet the needs of different communities recognising that a variety of approaches will be required with a clear rationale
 - b. **Workforce Strategy** - Concern over employee sickness absence increase and recruitment and retention issues, ageing workforce and succession planning.
 - c. **Apprenticeships** - The importance of apprenticeships was highlighted against concern on reducing numbers. This was seen as crucial to develop career skills and play a role in addressing recruitment and skills shortages.
 - d. **Children in the care of the Council** – Members considered the performance of support provided to young people in care and requested that a further opportunity to hear from the young people themselves and felt it was important in helping to understand where to improve outcomes
 - e. **Resource allocation** - Members across the OSCs were keen to understand that the Council is putting resource in the right place so that effort is directed to key areas that will make a difference to residents
 - f. **Presentation** - An online version of the PMIF would be beneficial and would enable members to easily access the data and analysis
 - g. **Training** - More support / training for members on details of OSC remit areas to enable them to scrutinise effectively.

Proposed actions for each of these areas are at para 9, Appendix 1 of this report.

Proposal

6. It is proposed that Cabinet consider and agree the performance report at Appendix 2 including the analysis, key actions and updates on the areas previously identified for improvement by Overview and Scrutiny Committees. It is also proposed that changes to performance measures set out in Appendix 1 are approved to ensure the framework remains relevant and focused.
7. 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 on year-end reporting by Overview and Scrutiny Committees.

Recommendation

8. It is recommended that Cabinet:
 - (i) approves the 2021/22 year-end performance report (Appendix 2) and the key themes from the Council's Overview and Scrutiny Committees
 - (ii) Agrees the areas and actions identified by Overview and Scrutiny Committees and the proposed changes to measures at paragraph 9 and 10 of Appendix 1.

For the following reason:

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

CONTACT: Lindsay Murray - Extension 2794

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

Year-end Performance 2021/22

7. The analysis of performance for the year-end 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 year-end Performance Report in its entirety and a 'deep dive' into areas relevant to the role and remit of each committee. The table below sets out the areas presented to each OSC:

9. A summary of the key issues identified through the four Overview and Scrutiny Committees are set out below these with proposed actions to be undertaken in response:

- h. **Locality working** - development must meet the needs of different communities recognising that a variety of approaches will be required with a clear rationale and approach and a way to measure success
 - *A further report on locality working was requested and will be brought to Corporate Resources OSC at the 6 month performance stage*
- i. **Workforce Strategy** - Concern over the employee sickness absence increase and recruitment and retention issues where performance appears to be challenging. How these may link including ageing workforce and succession planning for those near retirement age. Different suggestions were made by members including approach to advertising and 'selling' local government careers, more opportunities for 'cross council' working and targeting of vacancies e.g. communities with high unemployment / getting into schools earlier
 - *Workforce Strategy will consider the issues and develop approaches. A more detailed data and analytical briefing note to members of Corporate Resources OSC and a further presentation on the workforce strategy to be provided at the 6 month performance stage November as a deeper dive on the issues*
- j. **Apprenticeships** - The importance of apprenticeships was highlighted against concern on reducing numbers. This was seen as crucial to develop career skills and play a role in addressing recruitment and skills shortages in areas such as housing repairs and maintenance. Getting into schools was considered important in highlighting opportunities at a young age.
 - *A further detailed report was requested covering the issues identified by the Housing, Environment and Healthier Communities OSC at the 6 month performance stage*
- k. **Children in the care of the Council** – Members considered the performance of support provided to young people in care and requested that a further opportunity to hear from the young people themselves as members of the committee had really valued this in the past and felt it was important in helping to understand where to improve outcomes
 - *Cllr Haley, as Cabinet member for Children and Young People, highlighted that the Corporate Parenting Board had suggested a members seminar be arranged for all members, as Corporate Parents, to hear from young people and their experiences.*
- l. **Resource allocation** - Members across the OSCs were keen to understand that the Council is putting resource in the right place so that effort is directed to key areas that will make a difference to residents e.g. recruitment and retention; agile working devices.
 - *Alignment of the PMIF and the budget approach will help to connect priorities, resources and performance*
- m. **Presentation** - An online version of the PMIF would be beneficial and would enable members to easily access the data and analysis
 - *An online reporting mechanism is in development with new ways of presenting data to be piloted through a clustering approach*

- n. **Training** - More support / training for members on details of OSC remit areas to enable them to scrutinise effectively, while sending presentations out in advance of meetings and glossary of terms for areas relevant to Families OSCs would also be helpful
- o *Potential training for OSC members on performance to be developed. Glossary of terms to be developed for Families OSC. Presentations to be sent out in advance of OSC meetings. Potential training session through NEREO NE Member/Officer Scrutiny Network (as part of a package of support provided by the Centre for Governance and Scrutiny) on effective scrutiny of performance to be explored.*

Further development and review

10. The approach will be continually 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. The table below sets out proposed changes to the agreed measures, to ensure the framework remains relevant:

Performance Management Framework Theme	New measure	Previous measure	Reason
Give every child the best start to life	% of state funded Gateshead schools graded good or outstanding	% of state funded Gateshead schools graded outstanding	Expanded to include 'Good' and 'Outstanding' schools
Ensure a healthy standard of living for all	% homes SAP energy rating above 65	Overall average SAP rating of homes in Gateshead	The previous measure obscures poor performing homes. This is more in line with Climate Change ambitions for 100% homes to be energy efficient.
Create and develop healthy and sustainable communities and places	Number of public transport passenger journeys in Gateshead	Number of public transport passenger journeys in Tyne and Wear	Measure changed to a local measure more relevant to Gateshead
Balanced Scorecard	Removal	Commission Happiness Survey	This will be covered by a resident satisfaction measure which will be collected through a resident survey.

Alternative Options

11. An alternative option would be to identify different 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 year-end performance reports. A copy of the draft minutes of each Committee is attached at

Appendix 3. The Leader and Deputy Leader of the Council have 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 issues relating to employees and proposals to address these 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 Implications** – There are no climate emergency implications arising directly from this report, though the PMIF will seek to manage performance across a range of strategic priorities including climate change.
21. **Sustainability Implications** – There are no sustainability implications arising directly from this report
22. **Human Rights Implications** – There are no human rights implications arising directly from this report
23. **Ward Implications** –There are no implications for a specific ward arising directly from this report, though the framework includes a geographical focus on performance where appropriate.