HOW ARE WE DOING?

A PERFORMANCE MANAGEMENT FRAMEWORK FOCUSED ON CONTINUOUS IMPROVEMENT

Scottish Borders COUNCIL

CONTENTS
PERFORMANCE MANAGEMENT FRAMEWORK

1. INTRODUCTION, PURPOSE AND OUR CURRENT STRATEGIC CONTEXT

1.1 Introduction and why we need a performance management framework

This Performance Management Framework (PMF) supports delivery of SBC's Council Plan and its annual review cycle. It looks to place a greater emphasis on the use and management of performance information in order to drive continuous improvement and deliver Best Value. Effective use of our data will allow us, as an organisation, to be more open and confident about how our services are really performing.

SBC aspires to be one of the "best in class", and seeks to promote a culture of continuous improvement. The Best Value Assurance Report of October 2019 in which the Accounts Commission noted:

Scottish Borders Council has made steady progress as it continues to transform the way it delivers services. Working with other organisations will be key to the council achieving its ambitions for further changes.

The development of a reinvigorated Council Plan presented the organisation with the perfect opportunity to realign its performance management approach, ensuring cohesive monitoring of the organisation's strategic outcomes. Manifestly, what the Council measures must reflect are the priorities it has articulated in its Council Plan.

This Framework will support the organisation to address these issues.

1.2 The Improvement Cycle

This framework is based around the "**Plan, Do, Review, Revise**" model of **Continuous Improvement**, shown below:

FIGURE 1:

PLAN
- Set clear objectives & targets
- Identify what action is need to achieve these
- Identify HOW this will be done
- Identify who is responsible
- Be SMART

DO
- Ensure the necessary systems and processes are in place
- Take Action
- Identify and Manage risks
- Support staff to achieve their objectives

REVISE
- Incorporate learning & improvements in to future planning.
- Reflect

REVIEW
- Monitor progress
- Learn from what worked well
- Improve what didn't work well
- Engage with cutomers/communities for feedback
- Effective governance and accountability

Source: Adapted from Audit Scotland

This cycle will influence the approach taken when looking at both Performance Management and Performance Reporting.

2. PERFORMANCE MANAGEMENT

Performance Management within the organisation is everyone's responsibility. In order to ensure an effective performance management culture can be embedded across services, everyone needs to understand how they contribute.

The following table summarises the main roles and responsibilities within Scottish Borders Council:

TABLE 1:

GROUP	ROLE	RESPONSIBLITY
COUNCILLORS		
Council	Setting Vision and Direction	Setting council objectives and priorities. Monitoring overall council performance. Agreeing performance measures.
Committee	Holding officers to account on performance issues and providing constructive challenge.	Directing specific reviews to scrutinise decisions and offer alternative policy or service proposals to help improvement.
Councillor	Keeping a watching brief of the council's overall performance position, particularly areas of poorer performance and risk as well as areas of good practice and innovation. Use information received through surgeries and queries from members of the public when considering performance.	Providing challenge on performance issues.
OFFICERS		
Chief Executive	Ensuring action is being taken to deal with areas of poorer performance and risk as well as developing areas of best practice and innovation.	Taking action to deal with issue, or referring them to, the Strategic Leadership Team or the council as appropriate.
Strategic Leadership Team	Managing performance and setting out what the council wants to achieve.	Challenging areas to improve and identify areas of risk. Implementing strategic decisions and sharing good practice.
Senior Managers	Leading council services and taking the lead on continuous improvement; reporting performance to the public and corporately.	Carrying out self-evaluation of strengths, areas for improvement, outstanding risks and how these are being dealt with.
Officers	Identify areas for service improvement. Provide insight and feedback.	Ensure services delivered as effectively as possible. Provide a holistic view of services.
Performance Team	Supportive centre of expertise.	Engage with services to develop, analyse and understand their performance information. Ensure good practice is shared across the organisation.
OTHER STAKEHOLDERS		
Customers / Communities / Third Parties / Partners.	Identify areas for service improvement. Provide insight and feedback.	Engage in consultation to feedback on service delivery. Hold the council to account when services are not delivered effectively.

Source: Adapted from Audit Scotland

2.1 Our Performance Cycle

Effective Performance Management does not solely rely on the monitoring of performance indicators. The Performance Cycle in Figure 2 demonstrates the different stages of activity that take place in order to ensure the organisation carefully considers its strengths, weaknesses and opportunities:

FIGURE 2: THE PERFORMANCE CYCLE
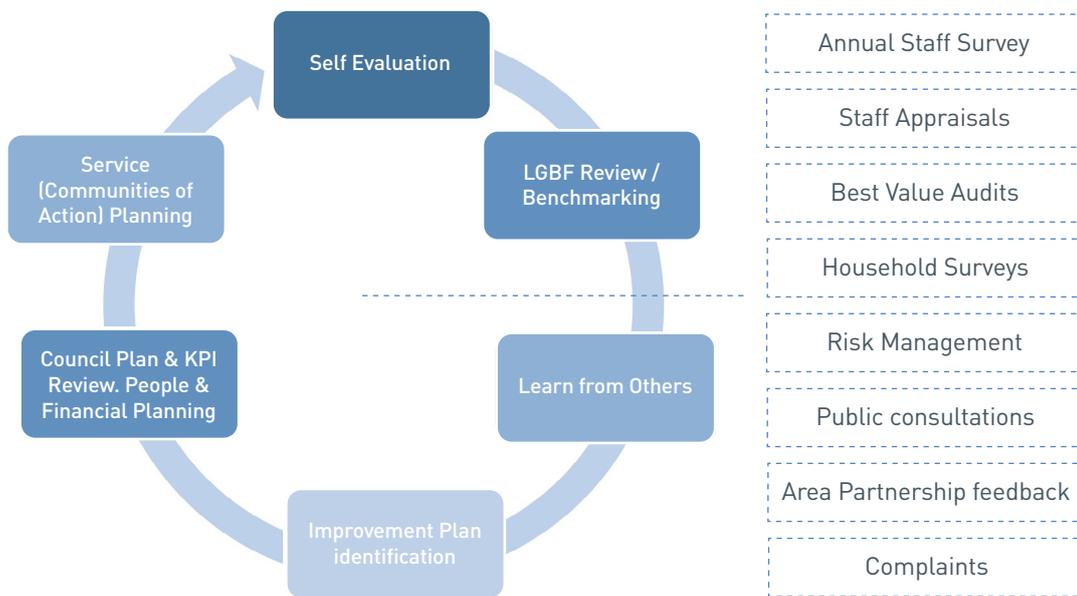
2.2 Self Evaluation

Reflecting on how well services are being delivered supports the organisation to identify areas of good practice and areas for improvement.

SBC has developed a Lite self-evaluation template which has been adapted from the Public Sector Improvement Framework (PSIF).

Services need to evaluate how well they are doing against three key areas:

- Strategic & Service Planning
- People Planning
- Service Processes

This revised template is used for all services and levels of management where a Self-Evaluation model does not already exist.

2.3 Benchmarking

Taking a wider view of what excellent looks like will inform a more rounded approach to Performance for SBC. SBC need to maximise on Local Government Benchmarking opportunities in order to support continuous improvement. While there are, and will continue to be, many social, economical, environmental and political factors that present their own challenges, we need to learn from our peers and be smart in our use of performance information.

The Improvement Service (IS) provide Local Authorities with comparative data through the Local Government Benchmarking Framework (LGBF). The LGBF collects information on a wide range of performance indicators that shows how all Scottish councils are performing in the delivery of services.

It is important to compare SBC's performance to similar councils in order to learn and identify areas for improvement. The LGBF groups similar councils in to families. Table 2A & B below show the family groups that SBC fits in, along with the other councils in these groups:

TABLE 2A

Family Groupings for Children, Social Work and Housing indicators
These councils are grouped by the type of population they serve, e.g. level of deprivation and affluence.

FAMILY GROUP 2
Moray
Stirling
East Lothian
Angus
▶ **Scottish Borders**
Highland
Argyll & Bute
Midlothian

TABLE 2B

Family Groupings for Environmental, Culture & Leisure, Economic Development, Corporate and Property indicators
These councils are grouped by the type of population they serve, e.g. level of deprivation and affluence.

FAMILY GROUP 1
Eilean Siar
Argyll & Bute
Shetland Islands
Highland
Orkney Islands
▶ **Scottish Borders**
Dumfries & Galloway
Aberdeenshire

Notice how our family group changes when we are being compared against different criteria

Source: Improvement Service How do we compare councils? | Benchmarking (improvementservice.org.uk)

Benchmarking provides the opportunity to delve in to areas where we may not be performing as well as others, and, to take action to address these. In addition, it helps services identify areas of good practice in order to learn from what others are doing. The information provides a starting point for Senior Managers and Elected Members to challenge the organisation's performance against certain measures.

Services provide the LGBF data to the Improvement Service on an annual basis. However, services are encouraged to monitor and analyse this information throughout the year, and to be proactive in identifying improvement areas before final data is published by IS.

2.4 A Learning Organisation

As well as making use of the LGBF information published by the Improvement Service, the organisation seeks to learn from others by researching and analysing organisational performance of other organisations – not just Local Authorities and not just in the UK! SBC will be open to learning from anyone who can help us improve services.

Services are encouraged to undertake such research in order to address areas of challenge and to make Scottish Borders as highly performing as possible.

Through our Place Making initiative, we aim to work collaboratively with communities, to identify and confirm local needs and priorities and ensure that appropriate actions are developed to meet these needs.

2.5 Identify Improvement Actions

Improving service delivery can only happen when we know what it is that needs to improve. As well as the previous three stages, the intelligence and insights offered by various auditors, inspectors or other sources of improvement actions are embraced by SBC as valuable opportunities. Once known, these actions will be prioritised and assessed on their contribution toward improving service delivery – then acted upon. Improvement actions are time bound and it is vital that assigned officers take responsibility for delivery and that SBC track and monitor the resultant improvements.

2.6 Council Plan & KPI Review

The council plan is reviewed and updated on an annual basis. Services play an integral part in shaping future council plans. The financial plan seeks to support the delivery of the council plan. When identifying the council's priorities for the year ahead, services must take into consideration the financial implications and any savings gaps that need to be met.

Once the priorities for the year ahead have been identified, services ensure robust performance measurements are in place to monitor progress – so our stakeholders can see if we are doing what we said we would! Each Key Performance Indicator (KPI) is documented using a KPI Data Management Sheet. This ensures clear understanding of Where the data is coming from, How the measure is calculated, What the Measure is actually telling us and Who is responsible for maintaining and Acting on the measure throughout the year.

2.7 Service Planning (Communities of Action) & Monitoring

The Communities of Action support the council plan by delving in to each of the priorities and identifying **Who** will be involved in making it happen, the strategies that underpin the priority and how progress will be monitored.

Performance measures are SMART (Specific, Measurable, Achievable, Realistic and Time bound), with targets reviewed on at least an annual basis.

While this activity in the cycle assumes a forward-looking approach, Services continue to monitor existing indicators to maintain ongoing service delivery. Where indicators identify challenges in performance, services address these by finding the root cause of the problem.

The organisation is working to establish a consistent approach to service planning. This work will be undertaken in line with further development of our Council Plan from 2023.

2.8 Managing individual Performance

An effective corporate performance framework plays a vital role in workforce and succession planning, enabling Scottish Borders Council to fulfil its vision, current and future community objectives.

The Council's Appraisal and Competency Framework program is essential to promoting and improving employee engagement in the council plan. It involves a continuous process in which managers and staff work together to plan, monitor and review goals and individual contributions to the council's priorities and if done well allows both employee and manager to:

- Align goals under the council's vision and objectives
- Clarify and reinforce expectations, responsibilities and accountabilities
- Develop, train and grow employees, personally and professionally
- Engage and retain top performers
- Encourage critical thinking, agility, and creativity
- Motivate employees toward success and career ambitions

Engaged Employees who are more involved, committed, passionate, and empowered are more likely to make suggestions or improvements that lead to innovation. For example, a performance appraisal review can result in a discussion where an employee shares recommendation on how to reduce cost or speed up processes.

Through improved employee engagement and observation, managers will understand an individual's skill sets and proficiency levels. The manager and the employee can offer each other feedback and address concerns, creating a transparent work environment.

Continuous employee engagement, through team meetings and 1 to 1 meetings gives managers the opportunity to coach and mentor employees in real-time and reflect on current work to help determine where they should focus going forward.

Appraisals are the responsibility of both the employee and the manager to complete on an annual basis and undertaken online via Business World.

3. PERFORMANCE REPORTING

Performance reporting is an important part of effective management and accountability. Planning and reporting are an integral part of an organisation's ongoing activities and decision-making. Performance reporting should help promote a "continuous improvement" feedback loop where reports on activities and performance provide important information to allow for the best possible decision-making in the next planning cycle.

Local Authorities are also duty bound to report on the performance of its functions to the public through the Local Government in Scotland Act 2003.

3.1 Quarterly Council Performance Reporting

Our quarterly performance report details our progress against the priorities set out in the Council Plan. Services review the indicators (and associated targets) on an annual basis as part of the Performance Cycle.

Services are responsible for ensuring the quarterly indicators included in this report are updated and monitored regularly. The report includes commentary on our performance – identifying what works well and what steps are being taken to address areas that need improvement.

Who is the Quarterly Council Performance Report for:
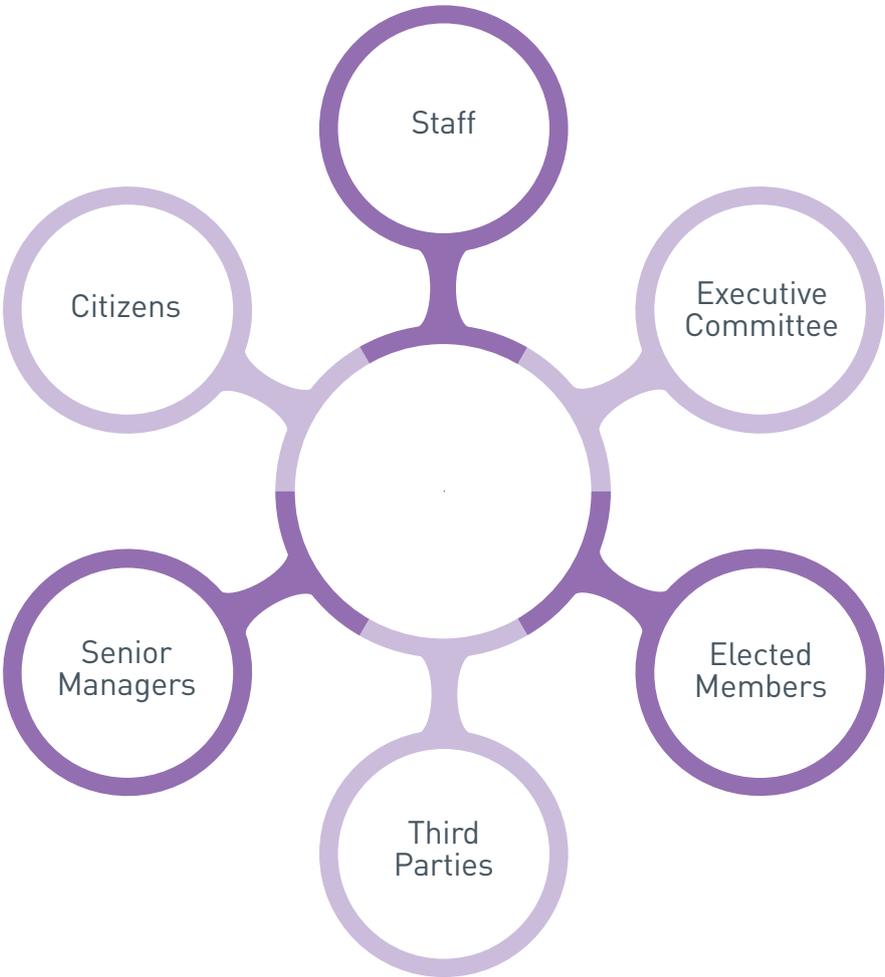
The quarterly Council Performance Report is reviewed by the Strategic Leadership Team and the Executive Committee ahead of this being made available to the public.

All quarterly Council Performance Reports are available on our website:
Home>Your Council>Performance>Quarterly public performance reports

3.2 Internal Departmental Performance Reporting

There are many elements that come together to ensure our services are delivered to the highest standard. To ensure effort remains focused on the right activity, our services will work to develop appropriate monitoring mechanisms.

Internal reporting takes into consideration any National reporting that is required, statutory reporting to Government, reviewing bench-marking data as well as operational management performance monitoring. In addition, Service Managers are responsible for ensuring adequate monitoring takes place to ensure their services are adhering to strategic directives. For example, SBC's aim to become a paperless council requires managers to regularly review the printing and postage activity in their services and, challenging any under performance.

Services incorporate regular performance review discussions in to Team and Departmental meetings and are supported through this by the Performance Team. The Strategic Leadership Team will also work to identify an appropriate set of indicators to ensure frequent monitoring and discussion focussed on service delivery and improvement. Robust, regular performance monitoring benefits Managers by ensuring they have the right information to make informed decisions around service delivery.

3.3 Effective Use of Technology

The council has a Corporate Risk Management & Performance Indicator solution. Services record the appropriate performance information in this system. The information is then available for reporting corporately and to the public. Our Performance Team are responsible for the general maintenance of this system, while individual services are responsible for ensuring their performance indicators and Risk Actions are kept up to date, remain accurate and are acted upon.

The council is embarking on a significant project that will look to bring together our data in to the one place, offering a more holistic view of our services and how these affect our citizens. This will improve our decision-making and ensure a better overview of the council's service delivery.

As previously mentioned in this Framework, there are a number of staff that do not have access to relevant technologies. Through the delivery of the Digital Borders strategy, Scottish Borders Council is committed to improving the connectivity of these staff groups to ensure equity and greater staff engagement across the organisation.

3.4 Data Gathering, Quality and Control

Services actively address data quality issues through regularly auditing and identifying improvements needed to better capture, store and report data. This ensures that the data used in the management of service performance is accurate, robust and reliable.

Services also consider the GDPR implications of any data that is held. Ensuring appropriate measures are in place for data retention.
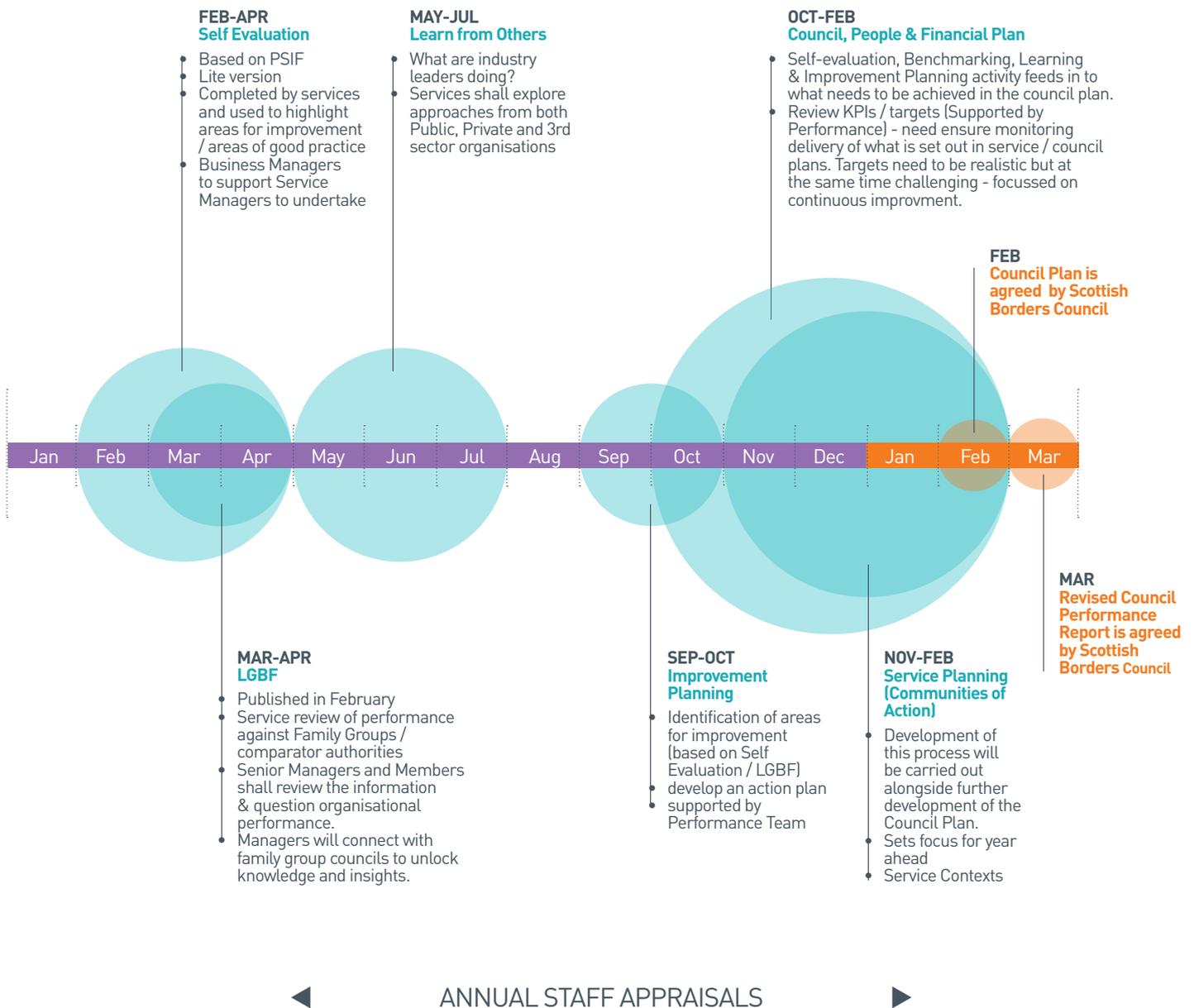
SBC is working to become a data-driven organisation. Through delivery of our Digital Strategy, the organisation will have the right tools and technology to utilise robust performance information to inform decisions. This work will ensure we are putting meaningful data into our systems in order to get meaningful data out.

4. HOW WE ACHIEVE THIS

4.1 An Annual Performance Cycle Timeline

The performance cycle guides services through the relevant performance activities needed throughout the year.

FEB-APR
Self Evaluation
- Based on PSIF
- Lite version
- Completed by services and used to highlight areas for improvement / areas of good practice
- Business Managers to support Service Managers to undertake

MAY-JUL
Learn from Others
- What are industry leaders doing?
- Services shall explore approaches from both Public, Private and 3rd sector organisations

OCT-FEB
Council, People & Financial Plan
- Self-evaluation, Benchmarking, Learning & Improvement Planning activity feeds in to what needs to be achieved in the council plan.
- Review KPIs / targets (Supported by Performance) - need ensure monitoring delivery of what is set out in service / council plans. Targets need to be realistic but at the same time challenging - focussed on continuous improvment.

FEB
Council Plan is agreed by Scottish Borders Council

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |

MAR-APR
LGBF
- Published in February
- Service review of performance against Family Groups / comparator authorities
- Senior Managers and Members shall review the information & question organisational performance.
- Managers will connect with family group councils to unlock knowledge and insights.

SEP-OCT
Improvement Planning
- Identification of areas for improvement (based on Self Evaluation / LGBF)
- develop an action plan supported by Performance Team

NOV-FEB
Service Planning (Communities of Action)
- Development of this process will be carried out alongside further development of the Council Plan.
- Sets focus for year ahead
- Service Contexts

MAR
Revised Council Performance Report is agreed by Scottish Borders Council

◄ ANNUAL STAFF APPRAISALS ►

A toolkit is available to services to support with the performance cycle. The toolkit provides the following:

- Self-Evaluation template
- Communities of Action Template (Service Planning) **(SBC version to be developed)**
- Improvement Action Plan **(Template to be developed)**
- Data Management Sheet template
- Guidance on setting performance measures

4.2   Listening To Our Customers & Colleagues

A key part of any self-evaluation is ensuring that the views of stakeholders, and in particular service users, are gathered on a regular basis and used to drive improvement. SBC's Customer Strategy 2018 -2023 works to ensure that we don't just listen, but that we engage customers appropriately in both the design and delivery of services. As it develops, our Place Making initiative will be pivotal to ensure citizens are engaged, listened to and part of the journey.

There are a number of tools that SBC uses to ensure that we're listening:

- Using the online tool "Citizen Space", the views of all residents across the Scottish Borders are sought in our **Household Survey.**
- As SBC's **Digital Customer Access (DCA)** project develops, more services will be provided online, and feedback can be gathered more easily.
- **Area partnerships** provide SBC and partners the opportunity to, on a regular basis, bring together key organisations, groups, businesses and individuals from across the public, private and third sectors and from within our local communities. Meetings are open to all members of the public, and Local Councillors and Community Councillors are in attendance.
- Public Consultations are undertaken to engage residents in shaping specific projects and initiatives.
- A new Complaints Handling system has been developed that enables us to learn from the issues being raised.

Services continue to use these tools, as well as more specific work done within services e.g. with those in receipt of care, to help drive continuous improvement.

As well as customer feedback, staff engagement is also key to the organisation knowing how well it is doing and identifying opportunities for growth. Both, formal and informal methods of feedback are used. Digital technology is making it increasingly easier to engage and consult with colleagues across the organisation. While various engagement surveys are conducted throughout the year, our Annual Staff Survey ensures staff have the opportunity to express their opinions on a regular basis.

4.3   Building a Performance Management Culture

Services ensure performance discussions take place during management team meetings. These are at least monthly and focus on meaningful performance measures.

Managers encourage staff to put forward ideas for improvement during team meetings. This will build open two-way communication channels across the organisation; generating discussions and ideas focused on continually improving outcomes for citizens.

Services will consider how to make better use of technology to be able to communicate and share performance related information more openly and widely with interested parties.

Our Performance Team are on hand to guide and support services through the performance cycle; however, managers are responsible for embedding and cultivating a performance centric approach. The Performance team engage with Services to support them to analyse and understand their performance information. This creates opportunity for good practice and learning to be shared across the whole organisation creating a centre of expertise within the Performance Team.

4.4   Lead by Example

Senior management teams lead by example. By using performance information and encouraging a proactive performance management, planning and improvement cycle, while using data to drive decisions – demonstrates to services the buy-in from senior officers. It will also affect their thinking as the decisions being taken will be informed by information they have prepared – there will be a clearer understanding of Why the information is needed. Leadership teams advocate and promote organisation and service priorities, objectives and expectations.

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Scottish Borders COUNCIL