

PERFORMANCE MANAGEMENT FRAMEWORK

Performance management is about improving outcomes for the people of Herefordshire by ensuring that the Council works as effectively as possible. This is done by planning our activities, monitoring progress, making reactive changes and tracking challenges to progress.

An effective performance management framework will;

- Improve services and outcomes for local people by tracking performance and targeting improvement
- Ensure our goals are prioritised and resources are allocated accordingly
- Ensure the council operates in a transparent way; clearly stating what we plan to do, and whether we achieve this
- Align our staff, making sure that individuals are aware of their targets and how these contribute to achieving the council's purpose
- Ensure risks are identified, managed and, where possible, mitigated
- Provide a strong evidence base for good decision making and the efficient use of resources

A performance management framework won't ensure good performance by itself however, and must be part of an organisation that;

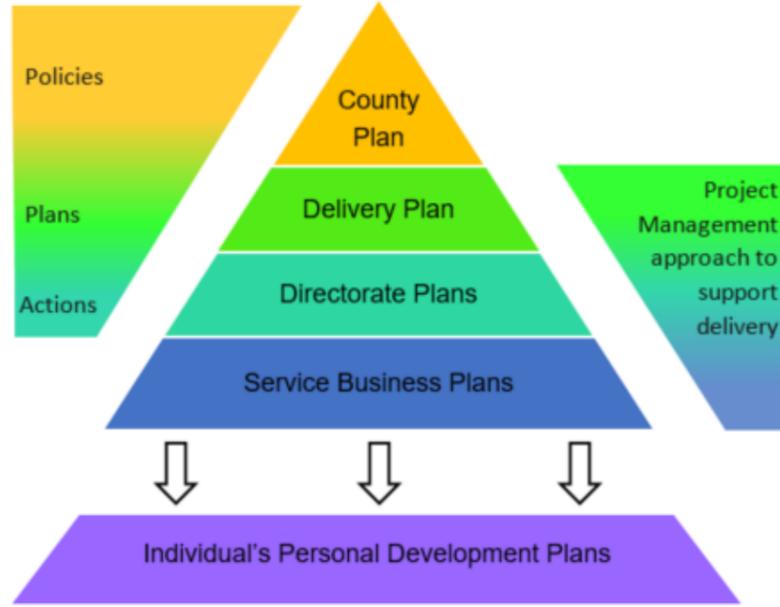
- values openness and transparency
- is open to challenge and support
- is driven by accountable leaders
- strives to make continued improvements in performance
- is supported by regular, robust intelligence

At the heart of all performance management is the Plan-Do-Monitor-Review cycle below; whether this is business planning, risk management or monitoring performance measures.



BUSINESS PLANNING must be undertaken at all levels of the council. The Corporate Plan, or County Plan, identifies the 4 year strategic ambitions for the council. These are translated in to deliverables every year in the Delivery Plan, Directorate and Service Business Plans. Plans should clearly link these actions to individual's activity as part of the Personal Development Plan (appraisal) process, ensuring individuals alignment to corporate ambitions – the "Golden Thread". Actions/activities should be clear and where possible utilise SMART methods (see below).

Further detail on the approaches to each of these documents is found in the Business Planning Guidance.



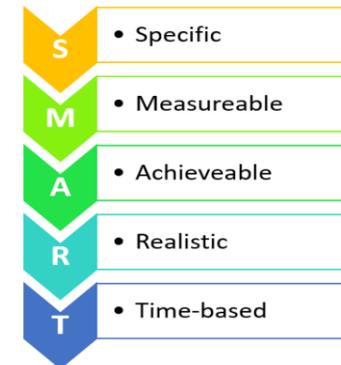
Regular **PERFORMANCE MONITORING** is required to provide assurance that services are delivered effectively and that projects and programmes are having the desired impacts. It's required by all levels of the council, from team meetings through to Management Board and Cabinet. Indicators should be chosen so that they demonstrate the delivery of a service or function, so will require measures of inputs, outputs, quality and process measures, whereas strategic objectives are likely to require measures of outcomes and population level indicators. Targets should be set for measures, using SMART methods. Action should be planned and taken to address performance not meeting targets.

RISK MANAGEMENT is about how the council identifies, monitors and manages the risks it encounters on a daily basis. When identified risks should be assessed, scored and recorded in a risk register. Risk owners should then detail the current controls in place and identify whether further work is required to mitigate the risk further – this effectively establishes our risk appetite.

The council operates 3 levels of risk registers; Corporate, Directorate and Service. The highest risks are found on the Corporate Risk Register, with lower level operational risks on Service Risk Registers. Alongside these, project risks are identified in Project and Programme Risk Registers. Risk scores are calculated by multiplying likelihood and impact to give a single risk score. Risks scores increase as they become either more certain, or have greater implications, and will escalate up risk registers, increasing the visibility and the controls available. Similarly, as risks reduce, they should be stepped down to the appropriate risk register, or even closed.

Risks should trigger activity to mitigate either the likelihood or impact with a view to reducing the exposure of the council to risk.

Further information on the processes; including details how to score, escalation and risk appetite, can be found in the Risk Management Plan.



Performance must be visible throughout the council. The calendar below left gives an overview of the significant milestones throughout the year.

Directors, AD's, HoS, and managers must be aware of, drive improvement and challenge performance, risks and delivery in their service areas and ensure plans are in place to address poor performance.

Overall council performance against the Delivery Plan and corporate risks are reported publicly on a quarterly basis through cabinet.

Assurance is provided by scrutiny committees, who may call in areas of poorer performance as well as Audit & Governance Committee whose role is to monitor the development and operation of risk management in the council.

