

Report to Overview and Scrutiny Committee



Date of meeting: 17 April 2018

Subject: Corporate Plan 2018-2023 – Progress Reporting and Performance Indicator Set

Officer contact for further information: David Bailey, Head of Transformation

Committee Secretary: Stephen Tautz, Democratic Services Manager

Recommendations/Decisions Required:

- (1) That the Committee reviews and provides comment on the proposed benefits and performance indicator set for 2018-2023; and**
- (2) That the Committee reviews and provides comment on the Council's proposed format for reporting the performance of the indicator set and the progress of the Corporate Plan 2018-2023.**

Executive Summary:

The Corporate Plan 2018-2023 is the authority's key strategic planning document. The Plan sets out the journey the Council will take to transform the organisation to be 'Ready for the Future'. The plan links the key external drivers influencing Council services, with a set of corporate aims and objectives, grouped under three corporate ambitions.

A Corporate Specification for each year (previously called the Key Action Plan) details how the Corporate Plan is being delivered through operational objectives, with these in turn linked to annual Service business plans.

The success of the new Corporate Plan will be assessed through the achievement of a set of benefits, focussed on what the Council achieves for customers (detailed from section 2 of the report). These benefits in turn are evidenced through a set of performance measures. The new format for reporting the Council's performance is also proposed.

Contents

1. Background and context of the Corporate Plan 2018-2023, including
 - a. Corporate Aims and Objectives
 - b. Corporate Specification 2018-19
 - c. Benefits Realisation
2. Design of the New Corporate Plan – Measuring Success
3. Format of Performance Reports
4. New Indicator and Benefits Set: Profiles
5. Next Steps
6. Appendix 1 – Our Corporate Plan 2018-2023 'on a page' summary
7. Appendix 2 – DRAFT Progress Report, including
 - a. Benefits Maps for 2018-19
8. Appendix 3 – Proposed Performance Indicator Profiles
9. Appendix 4 – Select Committee Feedback Summary

Report:

1. Background and context of the Corporate Plan 2018-2023

1. The Corporate Plan is the Council's highest level strategic document. It sets the strategic direction of the organisation for the lifetime of the plan, and as such informs all other plans produced by the Council. The Corporate Plan does not cover everything that the organisation does in detail, but it does provide a framework to demonstrate how the work of the Council at a strategic level fits together. It also provides a focus to establish a set of corporate priorities, describing how the organisation will deliver positive change. The Corporate Plan does not contain specific information on the wide range of services that the Council provides, or how it delivers statutory duties or enforces legislation.

2. The Corporate Plan is the cornerstone of the Council's performance management framework (called its Benefits Management Strategy) and business planning processes. It provides a framework for the development of detailed annual directorate and service business plans which provide details of service provision and how the work of these groups directly contributes to the achievement of the Council's aims and objectives. Each individual member of staff should be able to see how their work contributes to the Corporate Plan through links to their appraisal. The Corporate Plan also provides the policy foundation for the Council's Medium Term Financial Strategy (MTFS) and is essential for the prioritisation of resources to provide public services and value for money.

3. The Plan sets out the journey the Council will take to transform the organisation to be 'Ready for the Future'. The plan links the key external drivers influencing Council services, with a set of corporate aims and objectives, grouped under three corporate ambitions.

4. The new Corporate Plan aspires to be written in language and presented in a style that can be readily understood by our customers. Further it strives to 'put the customer at the heart of everything we do'. For the purposes of this Plan, 'customers' means people that:

- Live (residents);
- Work or do business;
- Learn (students);
- Visit (tourist economy) and
- Play (leisure activities) in the district.

5. The Corporate Plan including an overview of the district, our vision, purpose, values, and a set of corporate aims and objectives. The content presented in this report is by necessity more technical than when presented in the Corporate Plan. The most significant innovation in the new Corporate Plan is its focus on our customers and the measurement of success as the impact that the delivery of the plan has on them.

6. The corporate ambitions, aims and objectives are central elements of the new Corporate Plan and as such the new Plan has been developed around them in response to our external drivers and our vision, purpose and values. The new plan is a forward looking and organised document.

7. Our vision: A great place where people enjoy living, working, learning and leisure.

8. Our purpose: Working together to serve our community.

9. Our values: Trust, One Team, Performance, Innovation and Customer.

10. Management Board, Leadership Team and Cabinet Members were involved in developing the draft Corporate Plan 2018-2023. The content of the Plan – including drivers, objectives and benefits – were the subject of consultation with customers, businesses, partners and staff. The views of Councillors were also sought through the Communities, Governance, Neighbourhoods and Resources Select Committees as well as the Overview

and Scrutiny Committee. The views of the Cabinet were gained through a report to the Finance and Performance Management Cabinet Committee. Feedback from local councils was taken through a report to the Local Councils' Liaison Committee (LCLC).

11. These consultations showed that the structure and strategic approach of the new Corporate Plan were welcomed by all stakeholders, alongside an endorsement of the consultation itself. Beyond this, a large amount of detailed commentary on specific drivers, aims, objectives and performance measures was received.

12. The Corporate Plan 2018-2023 was adopted by Council in December 2017. It was agreed that the four Select Committees – Communities, Governance, Neighbourhoods and Resources – be consulted on the draft benefits maps. Final definitions for the new key benefits and performance indicator set will then be agreed by the Finance and Performance Management Cabinet Committee, in consultation with the Head of Transformation. This consultation would help ensure that the benefits maps have both the style and the content which the Select Committees would find most useful in undertaking their scrutiny of Council performance.

13. To minimise expenditure associated with its production, the new Corporate Plan will only be available as an electronic download via the Council's website or for customers to view as a hard copy at the Council's Civic Offices.

Corporate Aims and Objectives

14. External drivers have been identified by Cabinet Members and the Council's Management Board and Leadership Team, for the organisation over the next five years. They have been further refined through consultation and linked with a set of three interdependent corporate ambitions:

- Stronger Communities;
- Stronger Place; and
- Stronger Council.

15. Each ambition has a set of corporate aims, which are in turn detailed by one or more corporate objective, developed with the input of Cabinet Members and Officers. This work was undertaken via a series of workshops in March, April and May 2017. Further consultation on the draft Corporate Plan was undertaken over the summer months and feedback invited from:

- Customers;
- Businesses;
- Partners;
- Staff and managers;
- Local Councils via the Local Councils' Liaison Committee (LCLC);
- District Councillors, through Select Committees for Communities, Governance, Neighbourhoods and Resources, as well as the Overview and Scrutiny Committee; and
- Finance and Performance Management Cabinet Committee.

16. The headline summary of the Corporate Plan 2018-2023 – containing corporate ambitions, aims and objectives – is given on a single page in Appendix 1.

Corporate Specification 2018-2019

17. An annual Corporate Specification details how the Corporate Plan will be delivered through a set of operational objectives for that year. The Council has a number of Key Action Plans, so to avoid confusion the yearly action plan for the Corporate Plan will in future be

referred to as the Corporate Specification. This name denotes that it specifies the operational objectives for a given year, which in turn are responded to through annual Service business plans.

18. Corporate Specifications will continue to be set annually. Every year during the lifetime of the Corporate Plan, the Corporate Specification will be agreed by the Cabinet, with the scrutiny of the Select Committees and approved by Council. New operational objectives will reflect the progress already achieved against the Corporate Plan.

19. Appendix 2 to this report includes the draft Corporate Specification for 2018-19 within the left-most column, under 'Specification 2018-19'. The Corporate Plan aims, objectives and drivers are included in the two right-hand columns, under the heading 'Corporate Plan 2018-2023'.

Benefits Realisation

20. The consultation on the structure and content of the Corporate Plan 2018-2023 was undertaken using benefits maps, see Appendix 2. An explanation of these maps is provided in this section of the report. Constructing the benefits maps is a complex and detailed task and significant feedback was received through consultations on the draft maps. Officers are currently working to revise and complete these maps with the intention to consult on the final version through reports to the Overview and Scrutiny Committee and Select Committees. The final benefits maps would then be agreed by the Finance and Performance Management Cabinet Committee in consultation with the Head of Transformation.

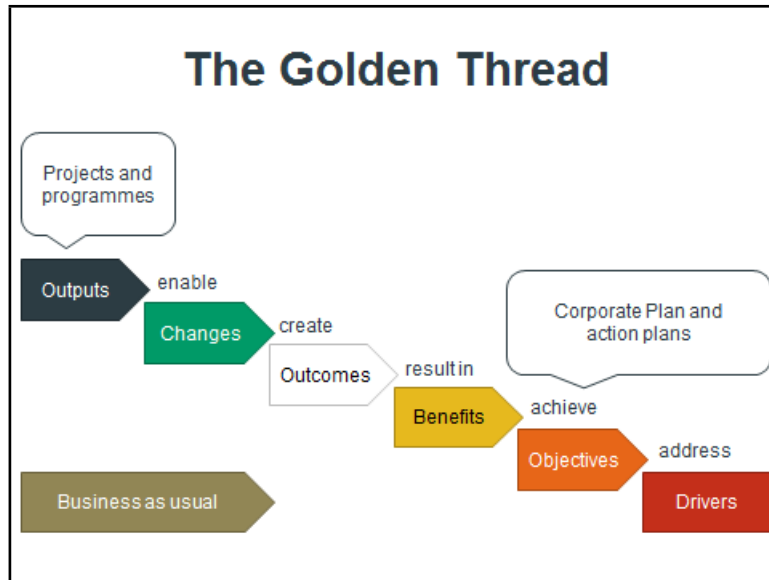
21. All benefits from individual corporate objectives, connect back to four key benefits, which are:

- B1 Improved customer value – recognising what customers' value about our services and placing them as the heart of everything we do;
- B2 Increased efficiency – focussing on our speed of delivery and getting things right first time;
- B3 Increased agility – reducing red tape, simplifying how we work through joined up services; and
- B4 Increased savings and income – delivery of resource savings and income generation, to keep Council Tax low

22. In this context, a benefit is defined as: the measurable improvement resulting from an outcome perceived as an advantage by a stakeholder, which contributes towards one or more organisational objectives. All benefits must be defined in SMART terms – Specific, Measurable, Achievable, Relevant and Time-bound. It is possible that the Corporate Plan will have some negative impacts for some stakeholders as well as improvements. Where a negative effect of a change can be foreseen, then this is known as a dis-benefit.

23. The achievement of the new Corporate Plan will be monitored and assessed through the realisation of the set of interconnected benefits or benefits map, focussed on what the Council achieves for customers. The evidence that these benefits have been realised comes through the combination of a set of performance measures, replacing the current set of Key Performance Indicators (KPIs).

24. It is proposed that from 2018-2019 onwards, the delivery of the Corporate Specification will be monitored and reported alongside the information previously contained by the Transformation Programme Full Highlight Report and the key benefits and performance indicator set. It is envisaged that this will be presented as benefits maps, showing the interconnections between the delivery of projects, through benefits to the objectives and drivers from the Corporate Plan. A diagram showing the relationship between these elements is given below.



Above: 'The Golden Thread' linking project outputs through benefits to achieve objectives.

25. Appendix 2 contains the draft performance measures and benefits, in the middle three columns, headed 'Benefits realisation' (highlighted in purple). These benefits maps show the linkages between the three interrelated parts:

- The Corporate Plan drivers, aims and objectives for 2018-2023 (right-hand side);
- The benefits realisation framework of measures and benefits (centre); and
- The Corporate Specification for 2018-19 (left-hand side).

26. Please note that when the benefits maps are created, best practice is to start from the right-hand side and work towards the left, i.e. start with the needs of our customers or the end in mind, and work back to the solutions on the left-hand side. When the organisation delivers services, it starts on the left-hand side and works over to the right, i.e. the delivery goes from left to right.

2. Design of the New Corporate Plan – Measuring Success

27. The background section to this report describes the production of the new Corporate Plan 2018-2023. As explained above, the new Corporate Plan strives to ‘put the customer at the heart of everything we do’, focussing on redefining our measurement of success as the impact that the delivery of the plan has on them.

28. In the previous Corporate Plan, success was largely defined as the delivery of services, products or things. For example in the Key Action Plan:

- Deliver Phase 1 of the Council Housebuilding Programme, to provide 23 new affordable rented homes (Objective 1.b.1).
- Produce a plan to improve the management of information, to protect public data and comply with legislation (3.b.4).

These are known as output measures as they measure the output of project work – i.e. deliver a new computer system – or a ‘thing’. Other examples from the Key Action Plan have outcome measures attached:

- Complete a new off-street parking contract to manage the Council’s car parks with an alternative provider to increase efficiency and reduce costs (1.c.4)

In terms of measuring success, the previous Key Action Plan report measures success as the completion of the contract – i.e. the output. However, this example also shows a benefits measure, to ‘increase efficiency and reduce costs’. These can normally be identified as they use action verbs like ‘increase’, ‘reduce’ or ‘improve’. In this example the benefit is to the Council, in reduced cost and increased efficiency, but the benefits for our customers is implicit rather than explicit, i.e. the reduction in costs for local tax payers.

29. In these examples, and across the majority of the previous Corporate Plan, the realisation of benefits as a definition of success is not measured through the Key Performance Indicator set. Examples of KPIs include:

- What percentage of our commercial premises was let to tenants? (NEI011)
- What percentage of the district’s annual business rates was collected? (RES003)
- What percentage of calls to the council’s Careline Service are answered within 60 seconds? (COM010)

Clearly, these are measures of service performance, but they do not link with actions from the Key Action Plan and again are most often output measures and not outcome measures. Measuring outputs rather than outcomes (or benefits) is the traditional way of measuring success, and these measures are often easier to define and collect.

30. Strategically however, the weakness with these measures is in the response to the challenge – ‘so what?’ What difference does it make that the percentage of our commercial premises is let? What difference does it make the percentage of calls to Careline are answered within 60 seconds? The new Corporate Plan seeks to address this requirement directly by constructing a set of actions, performance measures and benefits which link together to demonstrate the success of the Plan overall, and explicitly place the emphasis on the improvements for customers. Overall, this is done through benefits maps, and example of which is given in Appendix 2. These benefits maps (also known as strategy maps) form the core of our performance management framework for the new Corporate Plan.

31. This marks a fundamental shift for the Council in the way it thinks about performance and what ‘success’ looks like for its customers. The Council’s previous performance management approach has been in place for many years, and the move to this new way of thinking will no doubt at times be challenging. However, this focus on success is an essential aspect of the Council being ‘Ready for the future’.

3. Format of Performance Reports

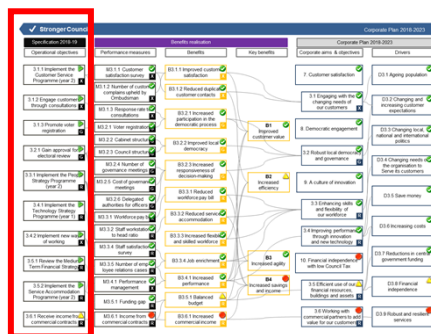
32. Currently, there are three different performance reports which are regularly presented across Cabinet, Finance and Performance Management Cabinet Committee and Scrutiny Committees, see table below. The reports are also considered by Management Board and Transformation Programme Board.

Report and content	Finance and Performance Management Cabinet Committee	Cabinet	Overview and Scrutiny Committee	Scrutiny Committees
Corporate Plan Key Action Plan – progress on the annual key actions, through which the Corporate Plan is delivered		✓	✓	✓
Transformation Programme Highlight Report – progress of projects and programmes by exception		✓		
Key Performance Indicators (KPIs) – progress against the indicators, grouped by directorate	✓			✓

33. Effectively, these three reports cover different aspects of the Benefits maps, which were developed as part of producing the new Corporate Plan 2018-2023.

34. Working from the left hand side of the benefits maps (see example), the first column contains the Annual Specification – formally the Key Action Plan – as a set of objectives covering both Businesses As Usual (BAU) and business transformation.

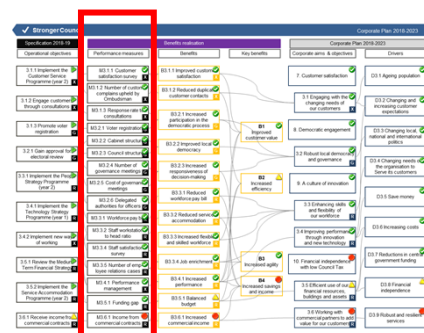
The business transformation elements are also covered by exception in the Transformation Programme Highlight Report.



These reports describe the progress made in delivering services (BAU) and improving services (business transformation).

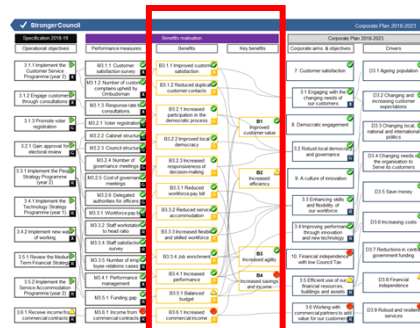
35. The next column of the benefits maps covers the measurement of performance through a set of performance indicators – formally known as Key Performance Indicators or KPIs. The current sets of KPIs largely measure the performance of Business As Usual (BAU) activities and not improvements brought about by business transformation.

Many of these indicators have their origins in the National Key Indicator Set and Comprehensive Spending Review framework, implemented by the UK Government in 2007. This was a means to reflect national priority outcomes in the work of local authorities, replacing previous frameworks like Best Value Performance Indicators and Performance Assessment Framework indicators.

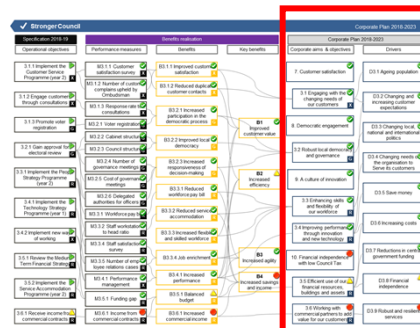


36. The Council's current performance measurement framework does not measure the impact on our customers – referred to as the realisation of benefits. These sit at the centre of the benefits map.

On the benefit maps for the new Corporate Plan, a new set of performance indicators have been designed. These allow the Council to measure directly or indirectly the realisation of benefits for our customers.



37. The right hand side of the benefits maps shows the corporate aims and objectives and the environmental factors which drive them. In the delivery of the previous Corporate Plan the Council did not assess its performance against the delivery of Corporate Objectives. The establishment of benefits maps in the new Corporate Plan should establish a mechanism with which to ask and answer the strategic question – ‘how well the Council is doing in the delivery of its five-year Corporate Plan?’



38. Clearly it is possible to report separately on each aspect of performance within the benefits maps. However, it is proposed to report the performance holistically, replacing the existing performance reports with a single integrated report – giving a single view of the performance of the Council against the Corporate Plan. This single view shows the interconnections between the various elements of the benefit maps, and should enable officers and Members to focus on cause and effect relationships.

39. It is proposed to present information using the benefits maps – colour coded using the Red, Amber, Green status indicators – often abbreviated to RAG – to highlight exceptions that may require attention. This will give Members and officers a quick visual tool to focus on areas where performance may be below target, and where remedial actions or further scrutiny may be required. By following the links left-to-right on the benefit maps – between projects, indicators, benefits and objectives – the maps also show the likely cause (to the left) or impact (to the right) of any underperformance.

40. Additionally, detailed information will only be reported for items on the maps which have Amber or Red statuses, i.e. are exceptions. This will reduce the amount of information presented in the regular reports and should enable readers to attend to the most important issues.

41. An example of how sections from the proposed report could look is given in Appendix 2, including both an example of a benefit map and the more detailed exceptions section. The Committee are asked to review this example and provide comment.

4. New Performance Indicator and Benefits Set: Profiles

42. Appendix 3 contains the proposed performance indicator profiles, whose scrutiny is assigned to this Select Committee. The Committee are asked to review each profile and provide comment. The targets for performance indicators will be agreed by the Finance and Performance Management Cabinet Committee.

43. A benefit may have one or more indicator. Where more than one indicator exists, the proportion in which the indicators are combined to demonstrate the benefit is shown as a percentage, with the sum of these weightings totalling 100%. Similarly, an individual indicator may contribute to the realisation of one or more benefits.

44. Some existing KPIs may continue to be reported as indicators in the new benefits maps. Other existing KPIs may continue to be collected as Management Information (MI), to assist in the management of services. However, many performance indicators in the set are newly defined for use by the Council and for some there will need to be a baseline data gathering exercise undertaken in 2018-19 before targets can be set for the remainder of the Corporate Plan period.

45. With such a fundamental change to the way the Council measures its success, it is inevitable that a small number of performance indicator definitions or targets, will upon collection need to be reviewed and modified. Any amendments to performance indicators will be agreed by the Finance and Performance Management Cabinet Committee in consultation with the Head of Transformation.

5. Next Steps

46. The Committee is requested to consider and provide comment on the draft documents in Appendices 2 and 3. A summary of feedback from the Communities, Resources, Neighbourhoods and Governance Select Committees is given in Appendix 4.

47. The final performance indicator and benefits set, including targets, will be approved by the Finance and Performance Management Cabinet Committee in consultation with the Head of Transformation.

48. The Corporate Plan, including the annual Corporate Specification are working documents and are therefore subject to change and development to ensure that the actions remain relevant and appropriate. Consequently, the Leader of the Council, in consultation with the Chief Executive, is authorised to agree any further changes to the Corporate Plan and Corporate Specification.

Resource Implications:

The design and production costs of the new Corporate Plan progress reports will be met from within the existing budget of the Transformation Programme Management Office. Resource requirements for any specific objective set out in this report will need to be identified by the relevant service director and reflected in the Council's budget processes.

Legal and Governance Implications:

There are no legal or governance implications arising from the recommendations of this report, which ensure that the Council sets appropriate corporate priorities, and monitors progress and reports against the achievement of benefits for customers.

Safer, Cleaner and Greener Implications:

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the corporate Safer, Cleaner and Greener initiative, or any crime and disorder issues within the district.

Consultation Undertaken:

Management Board, Leadership Team and Cabinet Members were involved in developing the draft Corporate Plan 2018-2023. The content of this draft – including drivers, objectives and benefits – were the subject of consultation with customers, businesses, partners and staff. The views of Councillors were also sought through the Communities, Governance, Neighbourhoods and Resources Select Committees as well as the Overview and Scrutiny Committee. The views of the Cabinet were gained through a report to the Finance and Performance Management Cabinet Committee. The views of local councils were gained through a report to the Local Councils' Liaison Committee (LCLC).

Background Papers:

- Corporate Plan 2015-2020 Report to Cabinet (C0-071-2014/15) on 9 March 2015 and Report to Council on 21 April 2015.
- Transformation Programme – Scope and Methodology Report to Cabinet (C-073-2015/16) on 03 March 2016.
- Benefits Management Strategy Report to Transformation Programme Board on 20 July 2016.
- Corporate Plan 2018-2023 Report to the Governance Select Committee on 4 July 2017.
- Corporate Plan 2018-2023 Report to the Resources Select Committee on 13 July 2017.
- Corporate Plan 2018-2023 Report to the Overview and Scrutiny Committee on 18 July 2017.
- Corporate Plan 2018-2023 Report to the Finance and Performance Management Cabinet Committee (FPM-007-2017/18) on 20 July 2017.
- Corporate Plan 2018-2023 Report to the Communities Select Committee on 5 September 2017.
- Draft Corporate Plan 2018-2023 Report to the Local Councils' Liaison Committee on 11 September 2017.
- Corporate Plan 2018-2023 Report to the Neighbourhoods Select Committee on 19 September 2017.
- Corporate Plan 2018-2023 Report to Cabinet (C-032-2017/18) on 7 December 2017.
- Corporate Plan 2018-2023 Report to Council (Item 12) on 21 December 2017.

Risk Management:

There are no risk management issues arising from the recommendations of this report. Relevant issues arising from actions to achieve specific objectives or benefits will be identified the Corporate Risk Management Group.

Equality and Diversity:

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality impact assessment is provided as an Appendix to the report.