

Performance/Administration Cabinet Committee

Thursday, 12 November 2015

7.30 pm

Present:

Cllr Leslie Hills (Chair)
Cllr Julia Burgoyne (Vice-Chair)

Cllrs: Colin Caller
Brian Francis
David Hurley
John Knight
Peter Scollard
Narinder Thandi
Harold Craske

Stuart Bobby	Assistant Director (Corporate Performance)
Ben Turner	Corporate Performance Manager
Ben Clarke	Committee & Scrutiny Assistant

12. Apologies

An apology for absence was received from Cllr Bronwen McGarrity. Cllr Harold Craske attended as her substitute.

13. Minutes

The Minutes of the meeting held on 10 September 2015 were signed by the Chair.

14. Declarations of Interests

No declarations of interest were made.

15. Corporate Plan 2015-19: Performance Management

The Corporate Performance Manager presented the Committee with a report on the council's Performance Management Framework (PMF) that has been implemented to monitor the delivery of the new Corporate Plan (2015-19) as endorsed by Full Council in October 2015.

The Corporate Performance Manager referenced paragraph 2.2 to the Committee which set out the results of review into the previous PMF carried with the council's Internal Audit team. Alongside understanding what previously had worked well, the new Corporate Plan has established a PMF based on the following key conclusions from the review process:

- create a comprehensive set of indicators which would enable performance management to take place across all Corporate Plan objective;
- avoid indicators where data is difficult to collect (i.e. particularly where external partners are involved);
- a number of indicators had targets that were not reflective of baseline performance outturns (i.e. they were 'soft' or their value was questioned);
- previous Cabinet Committees received a lot more performance management information than others with a number of services not involved in the previous performance framework at all leading to a lack of accountability and preventing effective service panning.

Alongside the review process, the Corporate Performance team carried out a research project to understand the variety and volume of performance monitoring of other district authorities across the country. What was evident was that with the lack of a national framework, some council's had removed themselves from performance monitoring in the public domain. From this research the Corporate Performance team were able to identify any gaps in the planned PMF with good practice from other authorities and equally adopt a series of indicators that will enable the ability for the authority to regularly benchmark its own performance with that of other peer authorities.

The Corporate Performance Manager highlighted paragraph 3.3 to the Committee and the accompanying table, explaining that the table shows how the Performance and Administration portfolio will be monitored in the future.

The table has five policy commitments which are supported via a number of different performance indicators with each indicator accountable to a key officer to enable consistent regular reporting back to senior management as well as the Committee.

However; the Corporate Performance Manager clarified that the fifth and sixth policy commitments, as detailed below, are to be monitored on a performance output basis at Cabinet level as they meet the challenge of government spending and generating income for the authority:

- 5. Deliver on opportunities for the sharing and selling of Council services to increase efficiencies and build business resilience
- 6. Achieve financial efficiencies and improved levels of performance, by continuously reviewing and adapting how we deliver our services

Following a question from a Member, the Corporate Performance Manager advised that five peer authorities had been identified through a number of criteria established by CIPFA to form a 'benchmarking club' as part of the on-going work by the service review team. These authorities alongside neighbouring Kent districts will continue to be monitored as part of future reporting of the new PMF.

The Chair advised the Committee that as part of this framework it was important for Members to take account of wider changes being made through government policy including Universal Credit implementation. It was recommended a formal report or training session by Mike Bytheway be organised for Members of the Committee. The Assistant Director Corporate Performance agreed to talk to Mike Bytheway and look into this.

The Chair advised the Committee that the first performance reports for the new Corporate Plan would be available at the next meeting in February.

A Member of the Committee commented on the complexity of the wording of paragraph 9.5 and the Committee agreed that it needed to be reworded to simpler terms and agreed in that all future wording should be simplified where possible.

Following a question from a Member, the Assistant Director Corporate Performance advised that the Council does not make a profit on planning applications put forward by GBC as the charges are set nationally.

The Chair thanked the officers for their detailed answers and stated he looked forward to the follow-up in February.

16. Internal Audit & Fraud Partnership: Performance Management Framework

The Assistant Director Corporate Performance clarified to the Committee that the report was also going to the Finance & Audit Committee as they play an active role in governance arrangements, of which Internal Audit and Fraud play an active part.

The Assistant Director Corporate Performance advised the Committee there had been significant progress with the partnership, including:

- The transfer of the Audit team to Medway is confirmed to happen on the 1 December 2015
- Two of the three necessary consultation exercises have been completed with staff members under the TUPE regulations
- The third consultation will happen the day before the transfer
- An IT consultant had been in to talk with staff members about the Medway system and how the network share will work – they will be able to use both of the Medway and Gravesham systems at once under the same firewall protection
- A partnership agreement between the two organisations is in the final stages of completion

The Assistant Director Corporate Performance advised the Committee that this is the first shared service partnership of a back office system; there are already partnerships for front line areas such as CCTV and Building Control.

The Assistant Director Corporate Performance highlighted that:

- The transfer of staff to the Department of Work & Pensions in relation to the introduction of the Single Fraud Investigation Service would be completed by March 2016, and the affected staff would be consulted appropriately on this transfer. Following this transfer the final partnership arrangement would be put in place with effect from 1 April 2016, and consideration therefore needs to be given to how this will be performance managed from that date.
- The opportunity has been taken to look at other authorities to glean information about their shared arrangements and the performance management arrangements put in place, as shown in Appendix 2 to the report.

Following a question from a Member, the Assistant Director Corporate Performance clarified that there will be transparency over the proposed new structures and staff members will have to apply for their positions within the new partnership as appropriate.

A Member raised concerns over the governance arrangements for the new partnership which the Assistant Director Corporate Performance assured the Committee is set out in the draft agreement currently being finalized.

Post transfer to Medway Council (1 December 2015), an agreed amount would be paid to Medway for the salaries of the officers which will in due course result in savings to GBC; the structure will result in a saving in excess of the reduction in the Housing Grant.

Following several questions from the Committee, the Assistant Director Corporate Performance highlighted the following:

- This is a partnership deal so the annual audit plan and recruiting etc are all done jointly which means there is also shared risk as well as shared rewards
- The performance indicators for the Fraud & Audit team on Pages 14 & 15 of the report would be retained
- Medway's performance management indicators are currently being reviewed by the Audit & Assurance Manager.
- There is a contractual agreement with Medway that they have to meet GBC's Audit Plan; should standards fall short after the audit days are completed the Assistant Director Corporate Performance has the power to terminate the contract
- External auditors look at the internal auditors audit plan on an annual basis and form a judgement that a high level of assurance can be taken from the service
- Whenever Internal Audit carry out a piece of assurance work, customer satisfaction questionnaires are issued in relation to auditor conduct and overall audit service

Following a question from the Vice-Chair, the Assistant Director Corporate Performance explained that he would be receiving quarterly reports so they could be made available to the Committee on a quarterly basis, the Committee welcomed this suggestion.

A Member of the Committee identified that there has been a shift towards consultancy work – around 2% of the work programme has moved to consultancy services.

The Assistant Director Corporate Performance suggested below some more performance indicators to Members which the Committee **recommended** to being added to the existing framework:

- The proportion of available resources spent on productive assurance work
- The proportion of the agreed internal audit plan achieved
- The numbers of follow up and progress reviews issued, not yet due, or now due for a follow up
- Compliance with the Public Sector Internal Audit Standards
- Cost per audit day
- Proportion of qualified staff within the team
- Proportion of staff who are currently undertaking training
- Days spent on CPD per head of the team

Close of meeting

The meeting ended at 8:43pm.