

University of Stirling  
Department of Management and Organisation

Performance Review in British Local Government:  
An Investigation of the Current State of the Art

Volume 2

Submitted by Claire Monaghan for the Degree of Doctor of Philosophy

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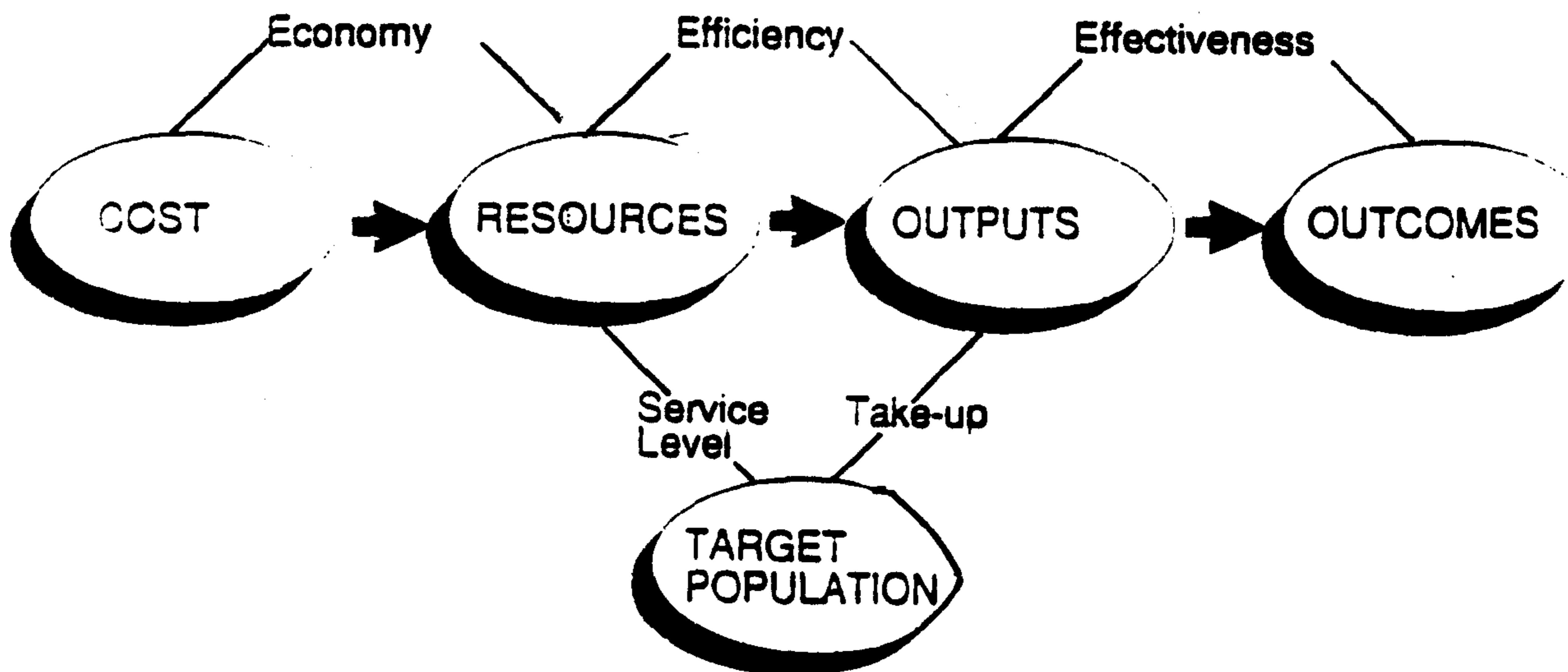
## Appendices for Chapter 2

**APPENDIX 2.1: MEASURING PERFORMANCE AND THE AUDIT COMMISSION**

*Exhibit 1*

**MEASURING PERFORMANCE**

Performance is measured at four main levels



## **APPENDIX 2.2: THE AUDIT COMMISSION'S ADVICE ON MEASURING PERFORMANCE**

### **Measuring Cost**

The cost of a service, and the resources it employs, is the one type of measure that should always be readily available, and is always important. It is wrong to place an exclusive emphasis on financial measures without regard for service standards or quality. But money is the ultimate scarce resource of every council, so any performance monitoring system must give a prominent place to costs.

As outlined in the Commission's recent management paper *Better Financial Management*, all of the services of a council, and its back-up activities, should be divided into distinct cost-centres, each with a budget that clearly identifies the costs that its manager is expected to control; and spending must be regularly and promptly measured against this budget.

Money is spent in order to acquire resources such as staff. So a good financial control system should accompany financial figures (e.g. staff costs) with the underlying indicators that determine these costs e.g. the number of staff actually in post, or the area of the premises on which costs such as heating and repairs are incurred.

### **Measuring Resource Inputs**

The second level of Measurement is the resource or service facilities that are actually provided, for example staff, premises, vehicles or energy, and the units of service that these collectively provided, for example the number of places in residential homes, or the number of library service points.

It is generally easy enough to quantify such resource inputs, but it is always worth thinking carefully about the best way of measuring and comparing them. For example:

- Staff such as teachers or police officers are often both the major cost, and also an essential component of the service itself. High staffing implies high costs, but may have nothing to do with efficiency.
- It may be possible to measure how efficiently staff are employed by drawing a distinction between the total numbers employed (the input measure) and the average number of front-line staff actually on duty (the output measure).
- Wherever facilities form a central part of a service, a key measure of service is their availability as measured by their opening hours.

Finally, a poor or ineffective service is simply not the same as a good one. Quantitative measures of the service resources provided have virtually no meaning without some assurance that quality is satisfactory.

### **Measuring Outcomes**

Output means the service actually delivered to customers, for example the number of pupils educated by a school, the number of residents in an old people's home, or the number of admissions to a leisure centre. The main purpose of measuring outputs is to derive useful performance indicators, such as the utilisation of service facilities, or the take-up of a service in relation to its target population.

Again, the main problem is quality: poorly educated pupils simply do not represent the same output as those that are better educated. Leaving this aside, it is generally obvious what the outputs of a service are, and easy to measure them. However, it is worth thinking carefully about the best way of doing this. For example:

- **Response time.** The key performance indicator for many council services is how promptly the service is provided - for example, the average time taken to respond to fire calls, to determine planning applications, to relet council houses, or to undertake repairs.
- **Tasks Completed.** Performance review should also be concerned with the actions being taken to improve services. It may be just as important to measure the completion of tasks such as the introduction of a new computer application.
- **Restricted Services.** There will never be enough places in old peoples' homes for all who might benefit from them. So almost the key performance indicator of performance is **who** uses them, to ensure that places are given to those that need them most. Likewise a key issue in highways maintenance is directing the limited budget to those schemes that are assessed to be of highest priority.

### **Measuring Outcomes**

The fourth dimension on which the performance of a service needs to be measured, or at least evaluated, is the 'outcome' or 'impact' - in other words its effectiveness in meeting users needs or achieving its underlying purpose. This is of course the most fundamental aspect of performance that needs to be reviewed. The volume of resources devoted to education, and the number of pupils educated have virtually no importance unless the desired educational impact is achieved.

Some aspects of the outcome of education can be measured, for example examination results, or the destination of leavers. Great care is needed in interpreting these measures, and they only deal with a part of outcome of the process of education. More generally, most other services simply have no outcomes that can practically be measured in quantitative terms. This is the main technical difficulty in reviewing performance, and unless there is some assurance about effectiveness, there is always room for doubt about the validity of other performance indicators such as unit costs.

However even if outcomes and effectiveness cannot be directly measured and counted, they can nearly always be evaluated in other ways. This is the one of the main opportunities for improving performance review systems, and is discussed in the next chapter.

(Audit Commission, 1989, pp4-6)



### The Strategic Management Process

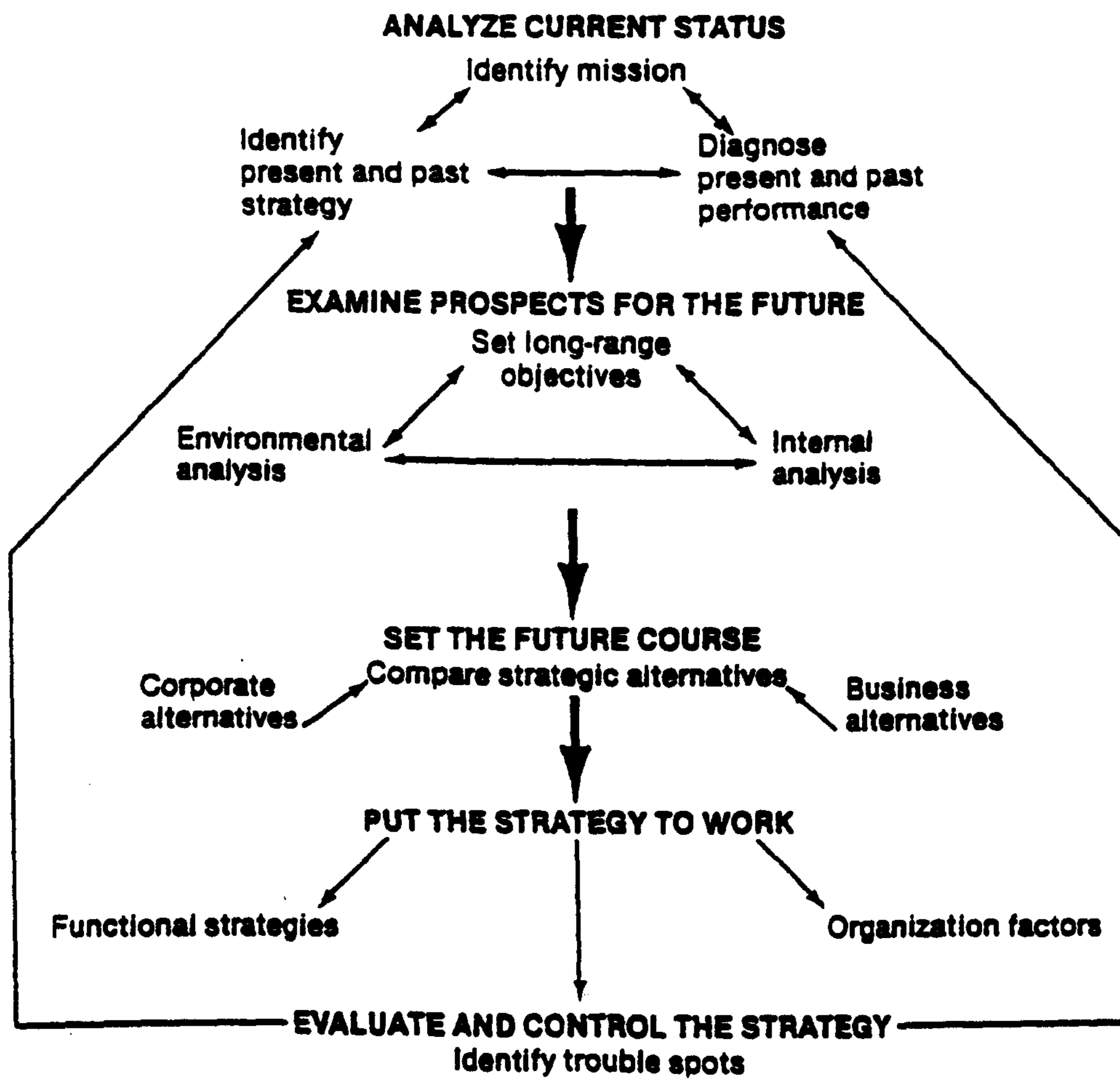


FIGURE 1

**APPENDIX 2.4 JACKSON AND PALMER'S SUMMARY AND ACTION PLAN**

**Strategy and Objectives**

For the policy or activity being measured:

1. Are policy objectives clear and unambiguous ?
2. Are the objectives linked clearly to the overall strategy and aims ?
3. Are the objectives still relevant in the light of changing circumstances or environment ?
4. Have the policy objectives been clearly understood and accepted by management?

*(It is useful to check the policy objectives profile against management's perception of policy)*

5. Are the policy objectives defined sharply enough to draw out performance measures ?

*(e.g. are terms like lower income groups used without defining them ?)*

**Design of the Measures**

1. Do the measures cover the following elements:

Input cost (economy)

Input related to output - productivity (efficiency)

Outputs - have the objectives been achieved (effectiveness or quality of service)

Impact made by policies - outcomes (effectiveness)

Customer/Client/User satisfaction ?

2. Are the measures linked to specific policy objectives ?
3. Is there a valid yardstick against which to compare the performance measure ?  
*(e.g. over time target or standard inter-service/inter-organisational/private sector control group)*
4. Does the yardstick compare like with like?  
*(i.e. are socio-economic, demographic, geographic and other distortions ironed out as far as possible?)*
5. Are the measures, on the one hand, related to key areas only, and on the other sufficiently varied to provide management with enough information to pinpoint problem areas ?

*(Too many indicators create confusion. Isolated indicators such as crime clear up rates on their own may be dangerous)*

6. Does aggregation of the results from performance measures make them vague or meaningless ?
7. Are the measures likely to lead to 'short termism' at the expense of the long term strategic aims ?
8. Do the measures differentiate between high spending (or low spending) due to policy reasons and that due to inefficiency?

### **Collection of Data**

1. Does the data available for the performance measures cover the following elements:
  - \* costs and input numbers (e.g. number of teachers)
  - \* throughput volumes (e.g. VAT visits)
  - \* output (e.g. trained soldiers)
  - \* outcomes (e.g. number of new jobs created) ?
2. Is the cost of data collection justified ?
 

*(The use for example of expensive user surveys must be cost effective)*
3. Don't have too many indicators, remember too much analysis can result in paralysis.

### **Presentation**

1. Is the performance measurement information presented in an attractive way designed to illustrate trends or problems ?
 

*(The use of profile/histograms/scattergrams and other schematics is usually better than a flat presentation of figures)*
2. Are the performance measures integrated with other management information such as budget statements and annual reports ?
3. Are the performance indicators simple and relevant; don't use unnecessary jargon.

### **Organisation and Accountability**

1. Do the results of the performance measures feed naturally into other parts of the management system, including:
  - \* budget process

- \* annual review process
- \* performance-related pay scheme

2. Are the performance measures for which managers are accountable related only to areas for which managers have responsibility ?
3. Are the performance measures for which managers are accountable related only to areas for which managers have responsibility ?
4. Do managers feel ownership for the measures for which they are accountable ?

*(Did managers suggest or 'negotiate' the measures selected - what incentives are there for good performance e.g. performance related pay, virement, ability to spend savings on innovation)*

5. Communicate your expectations of performance requirements.
6. Obtain commitment from everyone to the need to measure performance by ensuring a learning environment rather than a threatening environment.

(Jackson and Palmer, 1992, pp168-171)

## Appendices for Chapter 4

**APPENDIX 4.1: POSTAL QUESTIONNAIRE SENT TO CHIEF EXECUTIVES  
QUESTIONNAIRE TO CHIEF EXECUTIVES**

**PERFORMANCE REVIEW IN LOCAL AUTHORITIES**

**PART 1**

**SECTION A  
BACKGROUND**

- 1** Were you the Chief Executive at the time the PR system was set up?  
YES/NO

If yes, were you supportive of its introduction? YES/NO

If no, would you have been supportive of its introduction? YES/NO

- 2** Was any other review process operational prior to the introduction of the PR system? YES/NO

If yes, is the current PR system an enhanced/modified version of the previous process? YES/NO

- 3** Please indicate the name and telephone number of a contact person to whom we can refer queries arising from this questionnaire.

**SECTION B**  
**ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

**1 Who initiated the proposal to introduce performance review?  
Officers/Members/Others (please specify)**

**2 Were officers supportive of the PR system being introduced?  
YES/NO**

**What is their position now? Supportive/Unsupportive**

**3 Were members supportive of the PR system being introduced?  
YES/NO**

**What is their position now? Supportive/Unsupportive**

**4 Were goals and targets formally set before the introduction of PR?  
YES/NO**

**5 How were policy targets set for the PR system?**

**6 Who set the policy targets?**

**7 How were performance measures set for the PR system?**

**8 Who set the performance measures?**

**9 Did the process of setting up the PR system cause the authority to focus on the objectives of services? YES/NO**

**If yes, did this lead to:**

**- a reappraisal of the service? YES/NO**

**- a redefinition of the customer? YES/NO**

**10 Were any major difficulties or problems encountered in setting up the system? YES/NO**

**If yes, please elaborate.**



## **SECTION C**

### **THE PERFORMANCE REVIEW SYSTEM**

- 1** When was the PR system first introduced?
- 2** What is the designate of the officer with performance review responsibilities?
- 3** How many staff are specifically involved in performance review?
- 4** Which officers carry out PR work (e.g. policy planners, internal auditors)?
- 5** How does performance review fit into the corporate management structure?  
(e.g. Chief Executive's management team)
- 6** Which Committee has responsibility for performance review?
- 7** Is there any mechanism for communicating knowledge of process and performance targets to junior management or operative grade staff? YES/NO
- 8** Are consumer measures identified within the PR system?  
YES/NO  
  
If yes, were the views of consumers sought before the system was drawn up?  
YES/NO
- 9** Are any measures of quality incorporated into the PR system? YES/NO

If yes, please give examples.

- 10 Does your PR system operate across all departments in the authority?  
YES/NO**

**If no, on what basis were departments selected for inclusion?**

**Is it your intention to achieve authority wide PR? YES/NO**

- 11 How does your PR system cope with conflicting and multiple objectives?**

- 12 Is the PR system linked to the policy planning/strategic planning process?  
YES/NO**

**If yes, please indicate how.**

- 13 Is the PR system linked to the budgetary process? YES/NO**

**If yes, please indicate how.**

- 14 Is the PR system linked to performance appraisal and/or performance related pay? YES/NO**

- 15 Do the performance measures used attempt to distinguish between economy, efficiency and effectiveness? YES/NO

If yes, please give details.

## **SECTION D**

### **GENERAL**

- 1 Is any provision made for monitoring and appraising tasks which are not incorporated into the PR system?  
YES/NO**

**If yes, please specify how.**

- 2 Have any measures been introduced to ensure officer/member cooperation?  
YES/NO**

**If yes, please describe.**

- 3 Have any major changes been made to the PR system since its introduction?  
YES/NO**

**If yes, please elaborate.**

- 4 Has the introduction of the system been associated with any changes in corporate values/culture (e.g. more customer orientated)? YES/NO**

**If yes, please elaborate.**

- 5 Do you feel that the system has contributed significantly towards achieving:**
- a corporate management perspective? YES/NO
  - corporate goals? YES/NO
- 6 Has the PR system identified any training needs:**
- in relation to operating the system? YES/NO
  - as a consequence of its operation? YES/NO
- 7 On the whole do you consider the PR system to be successful? YES/NO**
- 8 What do you see as the most significant future development resulting from the operation of this system?**

**Please forward any documentation relating to your performance review system to:**

**Claire Monaghan  
FREEPOST TY532  
Department of Management Science  
University of Stirling  
Stirling  
FK9 4BR**

**PART 2**

- 1 Is there any mechanism for reviewing services in your authority?  
YES/NO**

**If yes, please give details.**

- 2 Does your authority make use of performance indicators?  
YES/NO**

- 3 Does your authority make use of value-for-money/efficiency studies?  
YES/NO**

- 4 Does you authority have a published Mission Statement or Statement of Objectives? YES/NO**

- 5 Does your authority have a set of clearly defined goals and targets?  
YES/NO**

- 6 Has your council previously had a performance review system?  
YES/NO**

**If yes, why is it no longer operational?**

- 7 Do you intend in the future to introduce a performance review system?  
YES/NO**

**If yes, do you think that:**

- Officers would be supportive/unsupportive?**
- Members would be supportive/unsupportive?**

- 8 Please indicate the name and telephone number of a contact person to whom we can refer queries arising from this questionnaire.**

**APPENDIX 4.2 POSTAL QUESTIONNAIRE SENT TO COUNCIL LEADERS**  
**QUESTIONNAIRE TO COUNCIL LEADERS**  
**PERFORMANCE REVIEW IN LOCAL GOVERNMENT**

**PART 1**

- 1 When was the PR system introduced?**
  
- 2 Who initiated the proposal to introduce performance review?  
Officers/Members/Others (please specify)**
  
- 3 Which party has overall political control in your council?**
  
- 4 What is the political balance of your council? (e.g. Labour, Conservative,  
Liberal, etc.)**
  
- 5 Was your political party in power at the time of its introduction?  
YES/NO**

**If yes, was your party supportive of its introduction?  
YES/NO**

**What is their position now? SUPPORTIVE/UNSUPPORTIVE**

**If no, would they have been supportive?  
YES/NO**

**What is their position now? SUPPORTIVE/UNSUPPORTIVE**



**6 What role does the majority group play in the PR process?**

**7 What role does the minority group play in the PR process?**

**8 Are the political objectives of your administration incorporated into the PR system? YES/NO**

**If yes, please state how.**

**9 Is the PR system used for political purposes by:**

- the majority group? YES/NO**
- the minority group? YES/NO**

**10 How does the system cope with conflicting and multiple objectives?**

**11 Does the PR system relate to the policy planning process?  
YES/NO**

**If yes, does it do so adequately and sensibly?  
YES/NO**

**12 Does the PR system relate to the budgetary process?  
YES/NO**

**If yes, does it do so adequately and sensibly?  
YES/NO**

**13 Overall, do you think that the PR system is successful?  
YES/NO**

**14 Have there been any major difficulties with its operation?  
YES/NO**

**If yes, please elaborate.**

**15 What are the most important future developments you would like to see in the PR system?**

**16 Please indicate the name and telephone number of a contact person to whom we can refer queries arising from this questionnaire.**

**PART 2**

- 1 Which party has overall political control in your council?**
- 2 What is the political balance of your council? (e.g. Labour, Conservative, Liberal, etc.)**
- 3 Would your political party support the introduction of a PR system?  
YES/NO**
- 4 Would the minority group support its introduction?  
YES/NO**
- 5 Would the officers in your authority support its introduction?  
YES/NO**
- 6 What factors are inhibiting the introduction of a PR system?**
- 7 Do you expect to see a PR system in the lifetime of your administration?  
YES/NO**
- 8 Do you think that performance review is a politically neutral tool?  
YES/NO**
- 9 Please indicate the name and telephone number of a contact person to whom we can refer queries arising from this questionnaire.**

**APPENDIX 4.3: POSTAL QUESTIONNAIRE COVER LETTER**

23rd April 1992

If telephoning, please  
ask for Claire Monaghan  
(Direct Line : 0786 67378)

Address field`

Dear

**PERFORMANCE REVIEW IN LOCAL GOVERNMENT**

The Public Sector Management Research Group at Stirling University is currently conducting research into the application and development of performance review procedures within local government. This research initiative is funded by the Economic and Social Research Council and the main objective of the project is to identify the extent to which performance review is undertaken in local authorities; and where review procedures have been established, to identify key operational characteristics.

As part of this research, a questionnaire is being sent to all chief executives. Preliminary investigations indicate that a significant number of authorities have not introduced review procedures and if this is the case in your council, please complete Part 2 of the attached questionnaire only. However, should you have a review system established or be in the process of implementing one, then I would be grateful if you would complete Part 1. In recognition of the time pressures faced by chief executives, most of the questions require only a YES/NO answer but please elaborate if you wish - confidentiality of course, is guaranteed. For your convenience, a FREEPOST envelope is enclosed for the return of your completed questionnaire but any additional documentation relating to your authority's performance review system would be gratefully received and can be forwarded to the same FREEPOST address.

On completion of the project, a guide to good practice is to be produced for local authorities based on progress made to date and experience accumulated in the performance review field. The questionnaire results will contribute significantly to this process and I hope therefore, that you will find the time to participate.

I look forward to hearing from you in due course.

Yours faithfully

Claire Monaghan  
Research Fellow

**APPENDIX 4.4: POSTAL QUESTIONNAIRE REMINDER LETTER**

7th September 1992

Address field~

Dear

**PERFORMANCE REVIEW IN THE PUBLIC SECTOR**

Some time ago, I sent you a questionnaire relating to performance review in your authority but my records show that this has yet to be returned. If you have recently sent it back or are in the process of doing so, then please accept my apologies. If this is not the case, then I would be grateful if you could complete either the original questionnaire or the duplicate enclosed. Most of the questions require only a YES/NO answer and thus it should only take a little time to fill out. A FREEPOST envelope is attached for its return.

I look forward to hearing from you in the future.

Yours faithfully

Claire Monaghan  
Research Fellow

**APPENDIX 4.5: APPROACH LETTER TO POTENTIAL CASE STUDY AUTHORITIES**

**Date:**

**Address**

**Dear**

**PERFORMANCE REVIEW IN LOCAL GOVERNMENT**

The Public Sector Management Research Group at Stirling University, is currently conducting research into the application and development of performance review procedures within local government. This research initiative is funded by the Economic and Social Research Council and the main objective of the project is to identify the extent to which performance review is undertaken by local authorities; and where review procedures have been established, to identify key operational characteristics and to consider the environment and context within which review is undertaken.

An important part of this project is to interview key people within local authorities who have made progress in this area. It is hoped to carry out interviews with each of the following people :

- the chief executive or a senior member of his department;
- the officer with performance review responsibilities;
- the director of a service department;
- a leading member of the administration; and
- a leading member of the opposition.

Your authority has been identified as one which has made progress in the performance review field and I am writing to ask if you would be willing to participate in this stage of the research. If you are, then I would be available to carry out interviews sometime during the next few months at a time convenient to yourselves. It is useful to complete the work in a day and thus desirable to have the interviews organised sequentially. However, I appreciate that senior officers and elected members have considerable demands on their time and that this may not always be possible. If your authority does agree to be interviewed then copies of the questionnaire on which the interviews are based, will be sent to each participant in advance of my visit.

On completion of the project, a guide to good practice will be produced for local authorities based on progress made to date and experience accumulated in the performance review field. However, should you not wish your authority to be identified in either this or any other research papers arising from this work, then anonymity is guaranteed.

I look forward to hearing from you in the near future and hope that you can find the time to participate in this worthwhile project.

Yours sincerely

**Claire Monaghan**  
Research Fellow

## **QUESTIONNAIRE FOR CHIEF EXECUTIVES**

## **APPENDIX 4.6**

### **SECTION A**

#### **ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

- 1 Were you the Chief Executive at the time the PR system was being established and were you or would you have been, in support of its introduction?**
- 2 Is the current PR system an enhanced/modified version of a previous review system?**
- 3 What role did you play in the development of the PR system?**
- 4 Were departments cooperative, generally, and with each other, in setting up the PR process?**
- 5 Were any cost-benefit studies of the PR system carried out prior to its establishment?**



**6 Did the process of setting up the PR system cause the authority to focus on the objectives of services and did this lead to a reappraisal of the service and/or a redefinition of the customer?**

**7 Were any major difficulties encountered in setting up the system?**

**SECTION B**  
**THE PERFORMANCE REVIEW SYSTEM**

- 1      **How does performance review fit into the corporate management structure.**
  
  
  
  
  
  
  
  
  
  
- 2      **What responsibilities do you have for its operation?**
  
  
  
  
  
  
  
  
  
  
- 3      **Is there any mechanism incorporated into the PR system for communicating knowledge of process and performance targets to junior management or operative grade staff?**
  
  
  
  
  
  
  
  
  
  
- 4      **Are consumer measures identified within the system and if so were the views of consumers sought before the system was drawn up?**
  
  
  
  
  
  
  
  
  
  
- 5      **Are any measures of quality incorporated into the system?**

- 6 Does your PR system operate across all the departments in your authority? If not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?**
  
- 7 How does your PR system cope with conflicting and multiple objectives?**
  
- 8 Is the PR system linked to performance appraisal and/or performance related pay?**
  
- 9 How have directors responded to the PR system? Have directors of technical departments responded differently to directors of service departments?**



- 6 Have there been any significant changes in the organisation of your authority since the PR system was introduced? If yes, were these the result of the system operating and did the review process cope with the change?**
  
  
  
  
  
  
  
  
  
  
- 7 Do you consider the PR system to be dynamic that is, adaptable to changing circumstances?**
  
  
  
  
  
  
  
  
  
  
- 8 Has the system encountered any major problems or difficulties in operation?**
  
  
  
  
  
  
  
  
  
  
- 9 On the whole do you consider the PR system to be successful?**
  
  
  
  
  
  
  
  
  
  
- 10 What do you consider to be the main strengths of the PR process?**
  
  
  
  
  
  
  
  
  
  
- 11 What do you consider to be the main weaknesses of the PR system?**

- 12 **What are the most important future developments you would like to see in relation to performance review?**

## **QUESTIONNAIRE FOR PERFORMANCE REVIEW OFFICERS**

### **SECTION A BACKGROUND**

- 1 **Was the proposal to introduce performance review initiated by officers or members?**
  
- 2 **Was any other review process operational prior to the introduction of the PR system? If yes, is the current system a modified/enhanced version of the previous process?**
  
- 3 **What were the reasons for introducing the current system?**
  
- 4 **Does your council have a Mission Statement or Statement of Objectives?**

**SECTION B  
ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

- 1 **What measures were taken to draw support and involvement from officers in setting up the PR process?**
- 2 **What measures were taken to draw support and involvement from members in setting up the PR process?**
- 3 **Were goals and targets formally set before the introduction of the PR system?**
- 4 **How were policy targets set for the PR system and who set them?**
- 5 **How were performance measures set for the PR system and who set them?**





**SECTION C**  
**THE PERFORMANCE REVIEW SYSTEM**

- 1 When was the PR system first introduced?**
  
- 2 Over what time period was the PR system introduced?**
  
- 3 How does performance review fit into the corporate management structure?**
  
- 4 Which Committee has responsibility for performance review?**
  
- 5 What is the designate of the officer responsible for performance review?**
  
- 6 Which officers carry out PR work? (e.g. policy planners, internal auditors)**
  
- 7 How many staff are specifically involved in performance review?**

- 8 Do officers continue to support and participate in the PR process?**
  
- 9 Do members continue to support and participate in the PR process?**
  
- 10 Is there any mechanism for communicating knowledge of process and performance targets to junior management or operative grade staff?**
  
- 11 Are consumer measures identified within the PR system and were the views of consumers sought before the system was drawn up?**
  
- 12 Are measures of quality incorporated into the PR system?**
  
- 13 Is any attempt made to distinguish between economy, efficiency and effectiveness in the performance measures utilised?**

- 14** Is a distinction drawn between operational (day-to-day) measures and strategic targets?
  
  
  
  
  
  
  
  
  
  
- 15** Does the PR process operate across all departments in the authority? If it does not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?
  
  
  
  
  
  
  
  
  
  
- 16** How is the PR system linked to the policy planning/strategic planning process?
  
  
  
  
  
  
  
  
  
  
- 17** How would you describe your councils budgetary process? (e.g. zero-based, incremental)
  
  
  
  
  
  
  
  
  
  
- 18** How is the PR system linked to the budgetary process?
  
  
  
  
  
  
  
  
  
  
- 19** Is the PR system linked to performance appraisal and/or performance-related pay?

**SECTION D**  
**GENERAL VIEWS OF SYSTEM**

- 1 Do you consider the current institutional arrangements relating to performance review satisfactory?**
- 2 Have any major changes been made to the PR system since its introduction?**
- 3 Have there been any significant changes in the organisation of your authority since the PR system was established and did the system cope and do you think it could cope with significant organisational changes?**
- 4 What do you consider to be the main strengths of the PR system?**



## **QUESTIONNAIRE FOR SERVICE DEPARTMENT DIRECTOR**

- 1 Which department are you the director of?**
  
- 2 Were you the director at the time the PR system was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**
  
- 3 How were the policy targets set for your department and who set them?**
  
- 4 How were performance measures set for your department and who set them?**
  
- 5 To what extent were you included/consulted in designing and developing the system for your department?**
  
- 6 Do you feel that the PR process has contributed to the achievement of departmental goals?**

- 7 **Has the system identified any specific training needs for your department and have these been addressed?**
  
  
  
  
  
  
  
  
  
  
- 8 **Is there any mechanism for communicating knowledge of process and performance targets to junior management and operative grade staff and obtaining feedback from these groups?**
  
  
  
  
  
  
  
  
  
  
- 9 **How has the review system affected your department?**
  
  
  
  
  
  
  
  
  
  
- 10 **Has the review system contributed to the achievement of corporate goals?**
  
  
  
  
  
  
  
  
  
  
- 11 **Do you have any views on the capability of the review team?**





## **QUESTIONNAIRE FOR COUNCIL LEADERS**

- 1 Which party has overall political control in your council?**
  
  
  
  
  
  
  
  
  
  
- 2 What is the political balance of your council?**
  
  
  
  
  
  
  
  
  
  
- 3 Was your political party in power at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**
  
  
  
  
  
  
  
  
  
  
- 4 Which committee has responsibility for the PR process?**
  
  
  
  
  
  
  
  
  
  
- 5 Were members involved in the development of the PR process?**
  
  
  
  
  
  
  
  
  
  
- 6 What part do you personally play in the PR process?**



- 12 **How does the PR system relate to the policy planning process?**
  
  
  
  
  
  
  
  
  
  
- 13 **How does the PR system relate to the budgetary process?**
  
  
  
  
  
  
  
  
  
  
- 14 **How have directors of service departments, directors of technical departments and the chief executive, related to the PR process?**
  
  
  
  
  
  
  
  
  
  
- 15 **What do you regard as the main strengths of the PR process?**
  
  
  
  
  
  
  
  
  
  
- 16 **What do you regard as its main weaknesses?**
  
  
  
  
  
  
  
  
  
  
- 17 **What are the most important future developments you would like to see in relation to performance review?**

## QUESTIONNAIRE FOR OPPOSITION LEADERS

- 1 **Was your political party in opposition at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**
  
- 2 **Were opposition members involved in the development of the PR process?**
  
- 3 **What part do you personally play in the PR process?**
  
- 4 **What part does the minority group play in the PR process?**
  
- 5 **Has performance review contributed to making your group a more effective opposition?**
  
- 6 **How is your political agenda set?**

- 7 Does the minority group and/or the majority group use the PR process for party political purposes?**
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
- 8 How does the PR system relate to the policy planning process?**
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
- 9 How does the PR system relate to the budgetary process?**
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
- 10 How have directors of service departments, directors of technical departments and the chief executive, related to the PR process?**
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
  
- 11 What do you regard as the main strengths of the PR process?**

- 12 What do you regard as its main weaknesses?
- 13 What are the most important future developments you would like to see in relation to performance review?
- 14 If the opposition group came to power at the next election would you operate the PR process differently?

## **Appendices for Chapter 5**



## APPENDIX 5.1

NON-METROPOLITAN DISTRICTS AND THE INCIDENCE OF  
PERFORMANCE REVIEW

## REVIEW SYSTEMS IN PLACE

Adur	58,100
Amber Valley	113,000
Arun	132,200
Ashfield	109,800
Basildon	161,800
Bath	83,900
Blaby	84,300
Blackpool	152,000
Blyth Valley	80,500
Bracknell Forest	100,300
Breckland	109,900
Bristol	396,600
Broadland	107,400
Canterbury	130,600
Carlisle	102,700
Castle Morpeth	50,100
Cheltenham	107,400
Cherwell	128,400
Chesterfield	100,600
Chester-le-Street	52,900
Chichester	102,200
Cleethorpes	70,100
Colchester	148,600
Copeland	71,800
Crewe and Nantwich	107,700
Dacorum	134,500
Dartford	81,900
Daventry	63,300
Derwentside	87,200
Dover	106,100
East Devon	119,100
East Hampshire	104,500
East Staffordshire	98,200
East Yorkshire	86,700
Elmbridge	114,800
Epsom & Ewell	68,600
Exeter	106,500
Forest of Dean	75,500
Gedling	111,800
Gloucester	105,400
Gravesham	93,500
Great Grimsby	91,500
Hambleton	81,300
Harborough	69,300
Harrogate	146,400
Hastings	83,900
Hyndburn	78,900
Ipswich	116,000
Kettering	78,200
Kingston-upon-Hull	268,500
Leicester	285,400
Lewes	88,900
Luton	176,200
Maidstone	138,000
Mansfield	102,000

## REVIEW SYSTEMS NOT IN PLACE

Allerdale	96,900
Ashford	93,600
Aylesbury Vale	150,300
Babergh	80,000
Basingstoke & Deane	146,000
Beverley	113,600
Bournemouth	159,300
Bromsgrove	92,600
Broxtowe	109,600
Burnley	92,500
Cambridge	111,200
Caradon	78,000
Corby	53,200
Cotswolds	76,200
Craven	51,000
Crawley	88,500
Darlington	100,100
Derby	227,100
Easington	99,400
Eastbourne	85,600
Eastleigh	108,100
East Lindsey	119,800
Eden	46,400
Ellesmere Port & Neston	81,200
Epping Forest	118,200
Fenland	77,000
Fylde	72,900
Gillingham	96,200
Guildford	127,200
Halton	124,500
High Peak	86,700
Hinckley & Bosworth	98,000
Holderness	51,800
Huntingdonshire	149,200
Kerrier	89,000
Malvern Hills	88,400
Mendip	98,200
Mid Devon	64,800
Northampton	186,000
North Cornwall	74,900
North Dorset	54,100
North East Derbyshire	99,100
North Norfolk	92,700
Nuneaton & Bedworth	118,300
Oadby & Wigstow	53,300
Poole	136,300
Portsmouth	189,500
Preston	131,500
Ribble Valley	51,500
Restormel	87,900
Richmondshire	46,500
Rossendale	66,000
Rother	83,500
Ryedale	92,100
St Albans	126,900

## REVIEW SYSTEMS IN PLACE (CONTINUED)

Mid Bedfordshire	113,000
Middlesborough	145,600
Mid Suffolk	78,700
Mid Sussex	123,300
Newark and Sherwood	103,900
New Forest	162,400
North Devon	85,700
North Kesteven	80,300
North Warwickshire	61,300
North West Leicestershire	82,500
North Wiltshire	115,300
Norwich City	127,700
Nottingham	282,500
Oxford	131,500
Pendle	85,600
Peterborough	156,200
Plymouth	257,600
Purbeck	43,800
Reading	137,100
Reigate & Banstead	118,600
Rochester upon Medway	147,600
Rochford	75,900
Rushcliffe	100,300
Salisbury	108,400
Scarborough	109,200
Scunthorpe	62,000
Selby	92,800
Shepway	94,600
Slough	102,900
Southampton	208,200
South Bedfordshire	110,100
South Bucks	63,000
South Northamptonshire	71,800
South Somerset	145,000
Stafford	120,600
Staffordshire Moorlands	95,900
Stevenage	75,800
Surrey Heath	80,800
Swale	116,800
Tamworth	71,100
Teignbridge	111,400
Tendring	128,200
Test Valley	103,400
Thamesdown	173,600
Three Rivers	81,600
Thurrock	131,200
Tonbridge & Malling	102,100
Tunbridge Wells	101,800
Tynedale	57,300
Vale of White Horse	112,300
Welwyn Hatfield	95,100
West Dorset	87,300
West Lancashire	109,800
West Wiltshire	109,700
Weymouth & Portland	62,400
Winchester	99,500
Windsor & Maidenhead	135,500
Wokingham	142,500

REVIEW SYSTEMS NOT IN PLACE  
(CONTINUED)

St Edmundsbury	92,400
Sedgefield	91,700
South Herefordshire	52,900
South Holland	68,700
South Norfolk	104,200
South Shropshire	39,400
Stroud	105,400
Tandridge	77,800
Teesdale	24,400
Uttlesford	66,600
Warrington	183,700
Warwick	118,500
Waveney	108,500
Waverley	115,300
Wear Valley	63,600
Wellingborough	68,700
West Lindsey	77,100
West Somerset	31,700
Woodspring	180,500
Wycombe	161,100
Wyre Forest	96,900

**REVIEW SYSTEMS IN PLACE (CONTINUED)**

Worcester	86,000
Worthing	98,000
Wrekin	142,200
Wychavon	103,900
Wyre	103,300
York	103,800

## Appendices for Chapter 6

**APPENDIX 6.1: DESCRIPTION OF MEASURES WHICH HAVE BEEN INTRODUCED TO ENSURE OFFICER/MEMBER COOPERATION ?**

**London Boroughs**

PR Lead Members Group

Appraisal

Service Contracts

Officer / Member Liaison

Reports to Committee

Mainly ad hoc

Codes of practice; topic seminars; and Leaders co-ordinating groups.

**Scottish Regions**

Seminars/consultation

The post of Principal Corporate Adviser in the Corporate Support Unit was set up to provide a council-wide framework to support departments where appropriate. The Performance Review Sub-Committee members are involved in drumming up annual programme of strategic/corporate reviews. All Committees/Departments are involved in monitoring and reviewing policy and practice.

Regular Chief Executive/Leader meetings and extended use of informal member/officer groups.

Members are kept informed of targets and the review process and would be informed by the chief executive of any drastic departure from targets.

**Scottish Districts**

Liaison

Liaison groups

Liaison/reviews

Regular reporting

Policy development groups involving active citizens, customers and interest groups.

**Welsh Counties**

The system is being developed through the consent and support of both officers and members. There has been joint awareness training and a newly established core group of Chief Officers and Members will be involved in its development.

**Welsh Districts**

Information seminars

Explanatory briefings on rationale for the system being introduced; peer pressure.

Joint officer/member informal seminars on policy formulation and strategic direction but this is wider than service by service performance review.

**County Council**

Advisory groups

Personal commitment from the chief executive

Joint agreement

Through Committee reports

Seminars were held debating the concept

Through the interface created by meetings of the Audit Panel.

Chief officers and members are working together on agreeing a Corporate Plan and a Statement in relation to what Dorset County Council stands for.

Ensuring that the Sub-Committee commends its proposals and is very much back-bencher biased; use of departmental officers as team leaders; training for project teams; staff surveys.

### **Metropolitan Districts**

Awareness training

Information discussions

Performance criteria for officers

Development work with Local Government Management Board on the role of the member in performance review.

An officer performance review group chaired by the chief executive's policy assistant feeds into the main performance review committee.

### **Non-Metropolitan Districts**

Regular update meetings

Performance Related Pay

Working Parties

Directors/Chairman meetings

Full debate with members as appropriate at Committees. Also an informal arena has been created for chief officers and all members to discuss policy and performance issues.

Regular meetings/training seminars

Special introductory sessions for members

Joint seminars

Appraisal of chief executive by group leaders

A series of regular Member Policy Workshops are run to deal with performance management issues outside the core system in an informal way.

At the start, middle and end of the performance review, the corporate management team consult the 2 members designated to assist with the review.

Members attend business plan workshops as part of the Forward Business Plan drafting process - then they approve the final document.

Member Working Groups which are informal meetings with some members from each Committee at which general guidance on policy development and the use of officers' delegated powers are discussed. It has no decision making powers.

Management Forum - A joint committee of members and officers

Rolling programme of review and discussion sessions

Working parties

Officer/member working parties

Staff and Committee appraisal

Service Plan Panel Meetings - informal meetings to discuss individual services where members have an opportunity to review performance, discuss any issues and agree targets.

Appraisal of chief officers by Strategic Guidance Committee  
Member/officer training seminars  
Regular meetings of key officers and members involved in process  
Joint working parties  
Regular reporting between relevant officers and members

Annual involvement of all staff via appraisal  
Corporate Forum and Councillor/Management Forum  
Joint working group to devise targets  
Review process is a joint process so continuous interaction  
Direct link from departmental directors to chairs  
Primarily joint working on initiative from start  
Regular reports to Performance Review Sub Committee  
Induction training  
Involvement of all parties throughout  
Joint education sessions  
Regular meetings with committee chairmen  
Regular meetings between Chairmen and chief officers  
Reviews planned well in advance and service committees are involved in the process.

Small working groups have been established to focus on the area of performance review that members are principally interested in.

## **APPENDIX 6.2: HOW WERE POLICY TARGETS SET FOR THE PERFORMANCE REVIEW SYSTEM ?**

### **London Boroughs**

Appraisal system

Progressively

Strategy statements

Chief Officers strategy weekend

Annual Business Plan

Chief Officers and leading members

Member/officer seminars

Officers suggested them and then they were endorsed by members.

Performance Review targets were set within the context of policies.

They were set by the Chief Executives office as part of the Budgetary Planning Process.

Policy targets are set in accordance with Corporate/ Departmental objectives.

Through Members' Strategic Policy Statements.

Through separate meetings with majority party Committee members.

Formally by the Budget Finance and Performance Review Committee; in practice, by the chief executive.

Corporate targets determined by the Leader for the Chief Executive. Chief Executive in consultation with the Chairs sets Directors targets.

At 3 levels : Operational set by officers; Committee set by officers and members; and Corporate set by members and based on the Manifesto.

The system is concerned with service delivery economy and efficiency. The data are appraised by each neighbourhood relative to their own policy objectives.

Chief officers and the chief executive had key objectives meetings the results of which were reported to Committee. Annual reports go to the Performance Review Subcommittee - it all feeds in on itself.

### **Scottish Regions**

The principle is to monitor and review Key Issue Areas -service plans and a corporate plan are currently being developed on a pragmatic basis with PR addressing "key" but selective aspects of each service area - within a corporate framework - by relevant Committees.

Chief Officers were asked to identify 5 key areas as part of their performance appraisal.

By the preparation of "Strategic Statements" and the subsequent issue of action plans and departmental plans.

Originated in departments, discussed in management team and noted by council.

### **Scottish Districts**

Senior officers

Management team

Manifesto

CCT

Worked up

On-going

Ad hoc basis



By (i) Policy framework; and (ii) Projects related to the framework.  
Effectiveness, economy of operation and public accountability were the criteria.

No formal statement of policy exists (partly a reflection of the hung council we have). However, the Chief Executive produced a document which is accepted and has become the basis for action. Before this, there was a lot of ad hocery.

The Council published its corporate strategy and the strategic objectives within the corporate strategy have been expressed in terms of policy work targets for the council. They form the corporate work programme.

Corporate objectives are set by the management team in consultation with the chief executives and with Committee Chairman. These are adopted by the council.

### **Welsh Counties**

Through policy budgets

On-going

At the beginning of the year, chief officers were asked to select, in conjunction with their Chairs, half a dozen or so areas of activity and to develop service objectives and related performance indicators. This was seen as a modest but determined start to the implementation of PR throughout the authority. The process has been supported by management consultants and the Chief Executive's department through a training programme and individual consultation. The key principles were to avoid the process becoming involved too deeply in a paper chase, to place the ownership of the process with the departments and not with the centre, and most importantly, to establish performance planning and review as the key service management tool. In the first round, a minimum commitment has been established. Departments however, are expected to develop PR practice over the next two or three years. Additionally, a core group of senior members and selected chief officers, supported by the Chief Executive, will apply the PR process to the six strategic goals of the County Council. Currently, an initial statement of objectives and indicators has been approved by Council. These are now being refined. Committees are expected to receive PR statements during the current year and at the first annual corporate review statement will be prepared at the end of the financial year.

### **Welsh Districts**

Via Spending Committee

On-going process

On a service by service basis with the chief executive adopting an overall monitoring role.

Policy targets are not formally set. members identify areas for review. If officers were to suggest that policy targets should be introduced, this would be seen as officer domination/interference.

Being established on a section-by-section basis, section/ divisional heads, in consultation with their staff are being encouraged to establish their own performance indicators and targets. This approach has been adopted to promote ownership of the system within individual sections.

### **County Councils**

Through Committees - 2

Through reports to the Corporate Resources Committee

Performance Review Sub-Committee

By Committees in Annual Medium Term Planning Process

Officer/member discussions

Chief officers report informed by members

Developed jointly with officers and members

Evolved from the strategic planning process

Overall policy aims were reflected in a system of Key Tasks which are reviewed annually.

By Committees as part of the business planning process.

Within overall policy objectives of the organisation.

Policy targets not set. Performance review is worked on an individual case basis.

The Performance Appraisal system linked to performance management is there to enable both line manager and member of staff to recognise success, solve problems and to enable both manager and managed to achieve their performance standards.

Service Committees set their own targets and performance measures within the context of the Essex Action Plan.

Statements of Policy Aims and Objectives were originally set at the beginning of each term of the County Council. Starting in 1992 these are being updated annually.

Report to Policy and General Purposes Committee outlining approach and philosophy to be adopted emphasising quality of service provision plus outline programme for the first year's activities.

Client teams in departments draft annual service plans, including policy targets which go to service committees for approval.

Where set, they have been developed from major service objectives eg the achievement of school places for all rising fives was a measurable policy target derived from the key objective of raising standards of educational achievement.

### **Metropolitan Districts**

Process on-going

Still being developed

Not yet in place

Drafted by officers

Set by chief officers and agreed at committees

Strategic priorities are identified and departments relate to these in producing plans etc.

We have an Effectiveness and Efficiency Committee which carries out detailed Service Reviews - covering an average of 2 service departments per year.

### **Non-Metropolitan Districts**

Recommendations from the Corporate Review Working Party

Officer/member joint consultation and agreement

By Committees on advice from officers

Performance Review Sub-Committee

From the Political Manifesto

Discussions with members and staff with an independent facilitator

Policy Committee

Evolving from Review Procedures Exercise

**Member and/or officer based on member decisions/policies**

**The contribution of each service to the councils stated objectives was reviewed and identified to determine the "effectiveness" indicator.**

**Through agreeing policies and targets with members via published service plans for each committee with the 1992/93 budget attached.**

**By agreement with council committees**

**In consultation with members**

**Officer Initiation**

**Emerged from Council's Strategy document**

**Distilled from existing policies**

**Through target setting meetings**

**Jointly by members and senior managers**

**Members and officers working group**

**In agreement with members**

**Through the introduction of business plans incorporating critical performance indicators.**

**Public consultation through magazine and exhibition; member policy workshops and through discussion with chief officers management team.**

**The Council Strategy was published providing four year policy guidance. This is used by each of the 12 service divisions of the authority who produce business plans which are approved by the relevant service committees. These documents together with a number of other specific Policy Statements eg. Customer Care Strategy; provide the basis of the performance targets for senior management. Section leaders and supervisors each contribute their own part to the achievement of target service standards, service improvements and planned new initiatives.**

**By Performance Management Committee in consultation with the chief executive.**

**Through formulation of aims and objectives for each service area as performance monitoring is introduced.**

**Combination of political manifesto and departmental objectives.**

**By drawing up a set of service statements for all council services as background and then the full council setting out its vision for future developments.**

**On a reactive basis**

**Through joint officer/member strategic planning**

**Through both committee and service plan**

**Members went on an "away day" to set priorities**

**Bottom up approach**

**Working group of senior officers determined**

**Depends on the Service Committee covering the area**

**Development on-going**

**Policy targets not part of the PR system we have**

**We are still in the process of doing this. Many of our policies and policy objectives are buried in the archives and lost in the minutes. These are now being identified and clarified in the strategic/business planning process.**

**Built up with members**

**In discussion with members**

**Proposed by officers for committee discussion**

Negotiation between leading members and officers  
Set out in Corporate Strategy  
Work in progress  
Member/officer working parties endorsed by committees  
Specific annual targets for individual service areas  
By departments under chief executives direction  
Relevant committee approves/modifies officers drafts  
Performance review officer prepared a Policy Document

Targets set by each service manager in consultation with staff, based on past practice, objectives and priorities for the forthcoming year.

For each service area targets are set. Before that, overall council policy objectives, core values and priorities are set at a strategic level.

Performance review in this authority involves an in depth review of specific topics - not related to policy targets - but this year as part of Citizen's Charter initiative, service tasks/targets have been identified through service committees and at officer level.

Generally cascaded down from various policy documents. Authority has a Members Compendium of all departments policies.

Mission Statement drafted by members. Policy targets proposed by officers for all services based on previous performance.

Members agreement to director/chief officer recommendations  
Statistical analysis of past trends and Audit Commission profile  
By Council  
Part of forward planning process  
Corporate strategy agreed/determined by members  
Officers Working Group propose and then seek member endorsement  
Discussion with leading members  
Through Committee system  
Business Planning Process  
Officer consultation with senior members  
Programme Committees  
From Strategic and Service Plans  
Debate between chief officers and committee chairs  
Currently under development

The starting point was current standards of performance many of which had previously been set by Service Committees

Generated in departmental teams, considered in management group, reported to overseeing committee and then individual committees.

They are contained in the three year service plans which principal committees approve.

Agreed corporately by members of the Policy and Resources Committee  
By committees  
Discussion between officers and members  
Through service planning process  
Through committee reports  
Members and management team review regularly  
By discussion of draft targets jointly between chief officers and committee chairmen and then endorsed by committees.

**APPENDIX 6.3: WHO SET THE POLICY TARGETS ?**

**London Boroughs**

Members - 4

Jointly Set - 3

Committees - 3

Various - 2

Chief Executive with Committee approval

Mainly Officers

Centre and Members

Leading Councillors

They were prepared by chief officers based on the majority party's manifesto and then approved by the Policy Committee.

Individuals but based on corporate policy plan and service committee plans approved by committees.

**Scottish Regions**

Jointly set

Officers

Departments

Departmental recommendations for Service/Central Committee approval.

**Scottish Districts**

Members and chief officers - 3

Management Team - 2

Chief executive

Chief executive and group leader

The Leader

Council

Policy and Resources Committee

Jointly set

Not yet agreed

Citizens, customers and members - with input from employees at all levels.

**Welsh Counties**

Committee and Chairs

Jointly set

On-going

**Welsh Districts**

Members

The Committees

Officers

Mainly officers

On-going

None set

**County Councils**

Committees - 2

Members - 2

Committees with advice from chief officers

Service Committees reporting to the Performance Review Sub-Committee

Programme Committee

Service Committees

Joint officer/member input but member driven

Members and chief officers

Chief officers with member input

Chief Executive reports to Corporate Resources Committee

Via the Business Planning Process

They were derived

Officers in consultation with leading members

Client teams (chief officer plus support)

They are drafted in consultation with Committee Chairmen and Panels of members and then considered/endorsed by Committees.

The policy targets linked to PM are agreed by each individual in each team as owners of Key Result Areas and Performance Standards. They realise the benefits of ownership of responsibility and delegation of decision-making authority.

**Metropolitan Districts**

All parties internally

Process on-going

Committees

Policy Issues Sub and Services

Members

Chief officers

**Non-Metropolitan Districts**

Officers and members - 4

Members - 3

Corporate Review Working Party

Members on officers recommendations

Performance Review Sub-Committee

Officers

Members - 4

Jointly by officers and members - 3

Management Team - 2

Suggested by officers approved by members - 2

Service managers with approval from chief officers

Chief executive

Officers

Process on-going

Service managers approved by service committees

Members - 3

Chief officers and members - 2

Officers - 2

Service Committees guided by Policy and Resources Committee

Officers will recommend to members

Varies from Committee to Committee but generally joint venture

Members and officers - 2

Sub Committee

Eventually member decision through committee

**Targets proposed by officers for the consideration of members**

**Predominately officers**

**Policy and Service Committees**

**Members**

**Policy Directorate/members**

**Members/consultants**

**Chief officers - 2**

**Performance review officer**

**Members formally but substantial input from officers**

**Service Committees**

**Chief executive and leader drafted together then consulted with officers and members and finally approved by council.**

**Members - 4**

**Officers and members - 3**

**Officers - 2**

**Chief officers, business managers and members**

**Service directors and chief officers**

**Chief officers in conjunction with assistant chief executive**

**Principal Committees**

**Recommended by officers**

**Chief executive and chief officers**

**Service committees**

**Officers currently developing**

**Officers responsible for managing the services propose the policy targets which are then presented to members for approval or change.**

**Members - 2**

**Officers and members - 2**

**Policy and Resources Committee (drafted by officers)**

**Committees**

**Chief officers**

**APPENDIX 6.4: HOW WERE PERFORMANCE MEASURES SET FOR THE PERFORMANCE REVIEW SYSTEM ?**

**London Boroughs**

Still developing

Agreed jointly

Service Committee Process

Jointly set

Still evolving

Consultative mechanism starting with the Audit Commissions statistics. These are still being refined.

Committees adopted performance targets for the services within their remit on the basis of chief officers recommendations, with support and scrutiny from a Central Performance Review Team.

Chief Executive's office working mainly with departments over several months leading up to the presentation of Performance Statements at Committee. Members also set measures.

Policy targets are set in accordance with Corporate/Departmental objectives.

Business Plans for Committees and departments and performance contracts for officers.

Key tasks were drawn up by the relevant chief officer and Chair and then discussed at a performance review meeting with the Chair and Vice-Chair of the Policy Committee.

By reports to councillors and then debate.

They are in the process of being devised by each Director with the assistance of the Performance Review Team.

These were developed by managers in liaison with the Policy Unit.

Derived by officers with help from consultants.

At 3 levels : Operational set by officers; Committee set by officers and members; and Corporate set by members and based on the Manifesto.

By officers in a range of different ways really through discussion and debate in group sessions.

Drafted by Performance Review Team and then refined in consultation with service managers.

**Scottish Regions**

Individual Committee/Departments responsible within the corporate framework. Pilot scheme measures are being developed within an inter-disciplinary working group (officer representative from each service area). Committees involved in discussing, approving etc. the recommended indicators vis a vis their policy direction, community need, service standard issues etc.

They were developed as part of Management Action Plans and the general work on performance indicators.

Originated in departments, discussed in management team and noted by council.



**Scottish Districts**

On-going - 2  
 Via Management Team  
 By chief officers  
 Policy Co-ordination Unit  
 Member level review  
 Customer-service driven  
 Evolving  
 Not yet agreed  
 Not yet set  
 None set

Our document is weak on measures. Over the next year more extensive indicators will be introduced. It is hoped that for each activity specified, 3/4 key indicators will be developed which will facilitate performance review.

Targets were set for winning in-house tenders; improving levels of service and care to tenants and the public, and this requires team efforts of client side and contractor side : the use of consultants was extensive eg for Refuse Collection, grounds maintenance and Leisure Centres.

**Welsh Counties**

Jointly set  
 On-going  
 Via the "Quality Assurance" Panel of members.

**Welsh Districts**

Through working groups

This depended on the views of individual members. In many instances, the only measure was success or otherwise as a subjective viewpoint of individual members.

Initially they were set by the Management Services Unit staff and modified by departmental managers. They were based on Audit Commission information and research elsewhere.

These have been identified by officers but related to existing statutory and/or policy standards.

Being established on a section-by-section basis, section/ divisional heads, in consultation with their staff are being encouraged to establish their own performance indicators and targets. This approach has been adopted to promote ownership of the system within individual sections.

**County Councils**

Through Review Sub-Committee  
 Business Resource Centre plans  
 Through Committees  
 Committees with advice from chief officers  
 Evolving gradually  
 Chief officers  
 Case by case  
 Mainly officer work  
 Service Committees  
 Through Programme Committee

Officers then in committee debate  
Client teams  
These were set individually for each key task

Specific objectives were identified and the SMARTS test applied.

Performance indicators are agreed with departments.

The Performance Appraisal system is linked to reviewing how each member of staff is achieving against their Performance

Reference to the approach adopted in other authorities but with emphasis on quality based performance indicators.

The aim has been to develop measures which over time would measure the effective use of resources and/or highlight delivery of policy.

The chief executive was given authority to introduce performance indicators throughout departments; a working group of officers was set up to introduce this; training seminars were held for members and for chief officers; performance indicators were reported to committee.

### **Metropolitan Districts**

Not yet in place  
Development on-going  
On-going, informed by Audit Commission  
Via Service Plans  
Drafted by officers  
Derived by senior officers  
Set by chief officers and agreed at committee

Apart from the Citizen's Charter, officers identify indicators for their work area, department etc. relating to strategic priorities, core standards for the council and each department, the departments own priorities, and as required for management of the service.

### **Non-Metropolitan Districts**

Performance Review Sub-Committee - 2  
By officers and members  
Refined from a consultants model to meet local needs  
Committees on advice from management team  
According to whether they were achievable, realistic and measurable  
Officers  
Process on-going  
By defining the Strategy for the Borough  
Various

By consultation with members, chief officers and the Corporate Services Officer having regard for the requirements of the political manifesto and the final reference to the relevant Service Committee.

Officers and members - 4  
Management Team  
Defined by heads of service in business plans  
Through business plans  
Individual managers

Analysis of functions by officers  
 Based on formula provided by consultants  
 Officer working groups  
 Chief officers  
 Drawn up by officers and endorsed by Committees  
 A variety of sources  
 Used Audit Commission Guidelines and internal ideas  
 2 nil responses  
 Consideration of key service areas by management team

Largely by reference to Audit Commission suggestions. This has evolved since we embarked on performance review and the business planning process is helping to focus minds.

Developed by members, chief officers and business unit managers  
 Key task analysis  
 Through service plans  
 Various ways  
 Officers propose then members modify  
 Cost centre managers determined but advised corporately  
 Through officer working group  
 Development on-going  
 Following an area review (ad hoc), measures are set for the future  
 Varies from Committee to Committee  
 Built up with process  
 By members in discussion with officers  
 Guidance from centre and examples obtained externally eg Audit Commission  
 Suggested by officers  
 Proposed by officers for committee discussion  
 Negotiation between leading members and officers  
 With reference to Audit Commission Guidance and with service managers  
 Work in progress  
 Developed by officers endorsed by members  
 Consultants working with members  
 Agreement with managers  
 Not used in this authority  
 Committee approval/modification of officers drafts  
 Delegated to lowest possible level - usually 3rd tier  
 Audit Commission Guidelines used as starting point

By consultation between line managers with responsibility for each performance review scheme and my performance review officer. Once arrived at they were placed before committee for approval.

Set from past experience of service area  
 Approved by assistant chief executive from officers  
 By unit managers in consultation with their directors.  
 Variances from norm used as basis for review  
 Guidelines developed by a working group of officers  
 Business unit managers determine - agreed by Board of Directors  
 Officers determined "Standards of Account"  
 Through Officers Working Group  
 Used Audit Commission indicators where possible  
 Set by individual departments and approved by committee  
 Business planning process  
 Officers suggest on basis of being easily understood  
 Chief officers in discussion with central resource  
 Through Service Planning

**Predominately senior officer recommendation  
Currently under development**

**Business managers reviewed service standards and performance indicators were agreed with chief officers.**

**Based upon measured customer /client expectations. Agreed targets set between staff and directors.**

**Officers propose - 2  
Part of business planning process  
By chief officers and members  
Initiated by officers - approved by members**

**Audit/review division in consultation with service divisions, reporting to management team on details.**

**The performance management measures are set through consultation between individual staff and their managers - after due consideration for their roles and functions within the authority.**

**Mainly the achievement of key tasks within timetables. Certain measures relate to natural norms.**

## **APPENDIX 6.5: WHO SET THE PERFORMANCE MEASURES ?**

### **London Boroughs**

Jointly set - 8

Committees - 2

Officers - 2

Mainly officers

Chief officers

Members

Varied

Various

Central unit and line management joint effort with member involvement thereafter.

### **Scottish Regions**

Jointly set

Accountants

Departments

Individual Committees with officer advice for Council-wide systematic monitoring within a framework determined by Performance Review Sub-Committee and approved by Council.

### **Scottish Districts**

Chief officers and members

Members and officers

Directors

Management

Management Team

Chief officers

Policy Co-ordination Unit

Service departments

Customers

On-going

Not yet agreed

### **Welsh Counties**

Quality Assurance Panel

Jointly set

On-going

### **Welsh Districts**

Committees

Jointly set

Officers

Initially they were set by the Management Services Unit staff and modified by departmental managers. They were based on Audit Commission information and research elsewhere.

**County Councils**

Committees - 3

Chief officers - 3

Officers

Officers in agreement with members

Policy Review Sub-Committee

Mainly by officers

Members

Officers recommend to members

Committee approved

Client teams

Joint officer/member effort

Each individual member of staff agrees their Performance Standards with their manager and the group with whom they work.

These are identified for each exercise either as currently published in this authority or other authorities or by the project team and agreed by the Quality Service's Committees.

They were put forward by departmental officers after an auditing process by the chief executive, then approved by the relevant committees.

**Metropolitan Districts**

Officers - 2

Partly Audit Commission

Policy Issues Sub and Services

Service managers

Chief officers

Mainly officers

**Non-Metropolitan Districts**

Members - 3

Officers and members - 3

Officers subject to members approval

Committee working groups

Officers

Process on-going

Chief officers

Officers - 5

Service managers - 4

Officers and members - 2

Officers with some member input

Suggested by officers approved by members

Management Team

Performance Management Committee

Chief officers

Committees

Business managers and chief officers

Officer with member agreement and guidance

Service managers

All staff were involved

Members

Cost centre managers

Senior management

Officers suggest to members who may modify

Performance Review Sub-Committee and Service Committees

**Service Committees on the recommendation of service directors**  
**Varies from Committee to Committee but generally joint venture**  
**Officers - 5**  
**Officers and members - 3**  
**Service Committees**  
**Predominately by officers**  
**Members**  
**Managers**  
**Consultants initially**  
**Chief executive and service chief officers**  
**Policy Committee and Service Committee**  
**Members in discussion with officers**  
**Officers - 5**  
**Chief officers - 3**  
**Business managers**  
**Unit managers**  
**Service managers**  
**Business unit managers/directors**  
**Senior officers**  
**Chief executive and chief officers**  
**Service Committees**  
**Chief officers and members**  
**Officers currently developing**  
**Officers - 5**  
**Policy and Resources Committee**  
**Agreed by Committees**  
**Committees**

**APPENDIX 6.6: EXAMPLES OF HOW PERFORMANCE MEASURES WHICH DISTINGUISH BETWEEN THE 3ES**

**London Boroughs**

Some measures are still straightforward financial ratios but information is provided for example on success rate in planning appeals, HSE notices etc.

Yes, in the sense that targets are not only financial; but where appropriate specify output and/or outcome,

Indicators are presented/identified using the following headings : Input/Budget (Economy); Demand, Productivity and Output (Efficiency); and Outcome/Quality and Customer Service Standards (Effectiveness).

**Scottish Regions**

On-going - 1

**Scottish Districts**

Outputs/outcomes

Essential ingredients

Fully incorporated

A number of indicators are identified to cover all areas of activity and an indicator for each of the 3 "Es" is identified for each activity.

**Welsh Districts**

The measures which have been designed have, where possible, been formulated in each of the three categories.

**Economy** - focus on costs eg inputs; **efficiency** - doing things right eg. on time, turn around within target, general focus on outputs; **effectiveness** - doing the right things eg customer satisfaction surveys, general focus on outcomes.

**County Councils**

All elements will be reflected as appropriate

Every performance measure will by its nature fall into one of these categories or will span more than one. We are trying to develop measures of effectiveness but this is very difficult particularly to find non-subjective measures.

In all cases, when performance standards are being written up, individuals are required to define exactly what they mean by economy and effectiveness

We try to look at inputs, outputs, outcomes and policy review.

We have been trying to concentrate on output indicators; VFM is addressed by individual policy reviews on a 5-year cycle; the Audit Commission profiles are used as a first stage comparator.

To some extent there are certainly more measures relating to economy and efficiency (eg costs per unit of output or unit of output per member of staff) than of effectiveness but that is a common problem with performance measurement in the public sector.



Unit Cost Information and some information on effectiveness are included in PI reports.

### **Metropolitan Districts Variety**

Indicators identified in relation to : cost of the service; amount of service available; amount of service used; quality and efficiency of the service; and value for money.

### **Non-Metropolitan Districts See documentation file (NM080032A)**

Effectiveness is seen as especially important as it measures performance against locally determined programmes.

Measures developed have to make a distinction  
Managers to provide measures in all areas

Economy measures normally not reported quarterly since generally fixed for year at business plan levels. Effectiveness being concentrated on more heavily this year, linked to customer care initiative.

Implicitly if not explicitly. Whenever targets are set, they must if possible be quantifiable in some way - otherwise they cannot be measured.

See documentation NM10134A  
Measures are set to develop and direct services by examining unit costs, inputs and outputs and using basic zero based budgeting.

See documentation (NM11174A)  
Balance between all 3 varies from service area to service area  
Comprehensive coverage of all three

Performance measures are linked to the strategic and operational objectives of the services concerned. Strategic objectives are concerned with effectiveness; operational objectives with economy and efficiency.

Measures are classified as : Level of provision; usage/participation; cost of service; quality of service; quality of regulated activity.

Economy - indicators seek to compare unit costs etc. with those of other authorities/the private sector; efficiency - some indicators relate to speed of decision-taking and implementation; and effectiveness - customers are asked for their view on the outcomes of the Council's actions

Ad hoc reviews assess purpose, aim, inputs, outputs and objectives both short term and long term.

In-depth study of the three Es  
Guidelines issued to unit managers infer this distinction  
Information is divided into performance information and management information  
Utilise Audit Commission definitions  
Documentation (NM12244A)

The business planning process reviews inputs and outputs. Asks what can be expected from the inputs. What are the priorities? What are we going to provide? This simple framework allows for the measurement of economy, efficiency and effectiveness without simply stating that the performance review system achieves it.

**Economy** - options on policy are priority rated with the costs involved, once set the budget is a measure as well as the result, cost per unit is indicator for monitoring;  
**efficiency** - time values for customer responses and outputs are monitored;  
**effectiveness** - inspections, checks and feedbacks on service delivery are carried out. Project completion dates achieved and satisfactory results are confirmed.

Distinguishes clearly and comprises both qualitative and quantitative measures  
Varies according to service area  
Through differing performance indicators

In personnel services within the recruitment function : **Effectiveness** - advertising, are the right media used? do adverts contain essential information? person specifications, are they comprehensive enough? length of time taken to fill posts.  
**Efficiency** - measures relate to the carrying out of the recruitment process from receipt of resignation to contract being issued to the new postholder. **Economy** - measures relate to the cost of the recruitment process - in terms of staff time, advertising expenses.

**APPENDIX 6.7:       EXAMPLES OF MEASURES OF QUALITY INCORPORATED INTO  
THE PERFORMANCE REVIEW SYSTEM**

**London Bourghs**

On-going

Seeking to ensure that business plans and performance contracts are output-orientated.

Standards of housing repairs and maintenance; standards of refuse collection and street cleaning; and standards in education particularly schools and exam results.

How long does service delivery take ?

Service standards; market research and the Citizen's Charter.

**Scottish Regions**

Quality Assurance Standards

We are still at the early stages of developing this aspect of performance measures but we have utilised response times and service standards.

**Scottish Districts**

Public accountability survey

Main corporate objectives

The objective of the system is all about quality. We are defining in advance what our customers need and expect, doing it and then asking them to review our performance.

Leisure Centre measures are suggested by the public, Sports Council and Community Council; hotels and commercial businesses for refuse collection and disposal; for grounds maintenance - community councils and tenants associations; and for housing, tenants associations and participation organisations (Tenant Management Organisations).

Service codes that is description of service to be given, timescale within which to complain etc. are being developed for all services. These will be subject to customer review on an on-going basis.

**Welsh Counties**

Developing total quality management

Annual user satisfaction surveys in urban improvement areas (Planning).

**Welsh Districts**

Customer satisfaction surveys

Varies too much

**County Councils**

Measures of Achievement

Audit Commission's Quality Exchange Exercise

Public/customer satisfaction measures

Customer surveys

Documentation supplied

The delivery of services to time and specified standards; complaints ratio are a feature of some schemes.

Complaints are recorded and an analysis of trends and remedial action reported to members.

Customer's perceptions of the system; number of new customers in any given year; ability to respond to crises; helpfulness of staff; commodity standards specified; special arrangements eg ethnic minorities.

Examination results and pupils staying on rates; satisfaction surveys; successful prosecution rates on trading standards; ratio of planning appeals lost to total appeals; class days lost due to closure of buildings from failure of fabric or service (for more examples see the questionnaire). The above are just a selection of performance indicators which are more clearly measures (or indicators) of quality. The continuing challenge is to produce more indicators which measure quality of output/outcome rather than quality and quantity of inputs.

### **Metropolitan Districts**

Ad hoc - 2

BS5750 standards

Consumer surveys

Core standards

### **Non-Metropolitan Districts**

British Standards

Customer feedback on satisfaction, establishment of complaints procedure

Professional caring approach, badges etc.

Tends to be subjective assessments and a bit ad hoc

See documentation file (NM080032A)

"Quality" is understood as the aggregation of efficiency, effectiveness and economy which will ultimately be measured by separate indicators for each service.

Standards of services provided

Varies according to service area - at discretion of manager

To draw up initiatives on Customer Care

Measures incorporating the views of customers - still being developed

Response times

A range of qualitative indicators plus some quantitative including response times for letters; error rates for payroll; % of missed bins.

Various measures of customer satisfaction; complaints monitoring; and measurement of planning control decisions against policy/guidance, etc.

Varies between services

Implicit within all targets

Customer satisfaction

Consumer measures vary

Each Service (Cost Centre) profile contains not only objectives, position statements, key tasks, environmental factors outputs and PIs but also quality factors.

Throughput per facility, customer complaints and comments, and survey results will also be included in reports.

**Predominately measures of customer satisfaction**  
**Error rates, timeliness etc.**  
**Service delivery plans**  
**Robustness of planning decisions against appeals**  
**Response times etc.**  
**Specific quality targets**  
**Work with contractors to specification especially CCT**  
**Customers assess the quality of service via questionnaires**  
**Complaints**  
**Error and satisfaction levels; complaints received**  
**Effectiveness measures are quality based**

**Response times to complaints - 2**  
**Customer satisfaction surveys - 2**  
**Customer satisfaction levels and complaints systems**  
**Number of ombudsmen cases for example**  
**Customer Care for all staff**  
**Standards**  
**In Action Plans**  
**Documentation (NM12244A)**  
**Number of complaints - 2**  
**Quality Assurance and BSI accreditation being sought**  
**Standards**  
**Annual satisfaction surveys**  
**Complaints procedure**  
**Accuracy deadlines**

**APPENDIX 6.8: WHAT DIFFICULTIES WERE ENCOUNTERED IN SETTING UP THE PERFORMANCE REVIEW PROCESS?**

**London Boroughs**  
Resources

Information collection at a serviceable cost and definitional problems.

Reluctance of some chief officers to introduce targeting; lack of interest of some members; culture not supportive of performance measurement; continual budget reductions; difficulty in defining sensitive performance indicators.

Attitudes of some managers; the overhead of monitoring certain indicators; and the paperwork presented at Committee.

Getting it accepted, bedding it in; ensuring compliance with timescale for necessary paperwork (business plans, contracts etc).

Although not really major difficulties, there was a problem in securing member ownership of the PR system; and identifying performance indicators across a whole range of service areas to complement the key task process was not always easy.

It was a top down process introduced by members and imposed corporately. The main problem was that of getting ownership of the process by managers at all levels of the organisation particularly at first-line management level.

The appraisal of chief officers has not proved to be totally objective. There is evidence of both political bias in appraisal and political expediency; the Council did not find any supporting infrastructure to develop and administer the system - the load has fallen entirely on the chief executive which means that it does not run smoothly because of other work pressures; more training is need on methods of self appraisal; and the particular system chosen is too complicated.

Obtaining common understanding; realisation that it can's be done overnight; incorporating quality and equality; getting the right amount of information generated.

To engage the interest and priority of some members. The Conservative group have dismissed its need and many backbenchers in the majority party have not fully understood its relevance.

Lack of management information in an appropriate form for performance review. Service delivery through 7 neighbourhoods which have their own budgets, aims, priorities etc; gives a unique opportunity for inter-neighbourhood comparisons, but makes agreement on what should be measured more complex.

Clarifying the purpose of the PR process particularly what members expected from it.

Disciplining members to think strategically and not get involved in management issues and details; developing relevant performance indicators and measures. This issue is still being addressed and this will continue with the introduction of the Audit Commissions performance indicators.

**Scottish Regions**  
A little resistance

A number of difficulties have been identified. These have not been insurmountable but have required to be managed and led in a sensitive and controlled way from the centre of the organisation. In particular, skills need to be developed to work up indicators and targets and to "anticipate" implications of outcomes; policy/practice clarification sometimes necessary; ability to give and receive constructive criticism ie. how to ask relevant questions etc.; the need for corporate information, sharing of information across service areas, plugging of information gaps efficiently; the development of mechanisms for informal discussions between officers (across departments) and particularly between officers and key members; and the need for market research and local opinion polling.

Ambiguous accountabilities; lack of management information; centralised control; and lack of customer-orientation.

### **Scottish Districts**

General resistance

Apathy

The first years plan was untidy, the second year was a slight improvement but there is still a problem of getting the policy framework in advance of budget setting. This is due entirely to external influences, particularly the inability of central government to plan effectively and to a clear timescale.

Pressures of work; prioritisation; the introduction of consumer surveys.

### **Welsh Counties**

Commitment slow to build

Establishing meaningful performance indicators was an initial problem and this remains a difficulty.

### **Welsh Districts**

Resources and time

Members understanding of the concept; seen as method of "sorting out" the officers; following initial period (to 1976) when the Council had majority rule, the Council became hung and PR was used as a tool for inter-party debate and differences.

"Educating" all concerned what the process sets out to achieve, gaining commitment to PR in the context of other demanding activities competing for officers attention.

Comprehensive consultation has so far, avoided any major difficulties.

### **County Council**

Hard work

Lack of resources made it difficult to implement

Teething problems

Whilst not a "major" problem, both officers and members were concerned about the setting of explicit targets because of the risk of failing to meet them and this being treated negatively by opposition groups on the Council or by the public.

To enable PM to succeed it requires managers to see themselves as enablers who can behave in a way which allows their staff to take responsibility and to have the authority to make decisions. When PM comes into an organisation where values have been held by managers in relation to controlling and checking the ir staff, rather than trusting them to be successful, there is a requirement for a large programme of help for managers so that they can see the benefits of behaving as an enabler. DCC in introducing the process of PM, has also introduced such initiatives as subordinate feedback on managerial behaviour and individual counselling and help to managers, in relation to this. Progress has been made with regard to this and we have plans for developing in the area.

The majority of difficulty was in translating or understanding what the senior members on the Policy and resources Committee actually wanted to begin with - in the early stages of creating the system we went through a kind of iterative process of draft and re-draft - it was "back to the drawing board" several times.

Finding worthwhile PIs; keeping scrutiny at the right level (eg avoiding detailed review of operational matters and focusing on overall performance of policies).

Getting officers to set measurable targets; getting politicians to agree targets whilst going through rate-capping financial problems; getting meaningful output measures.

Convincing all departments that service planning is an important management exercise and not just a paper exercise.

Getting precise and correct performance measures - this is very much in a state of evolution.

Creating general enthusiasm has been difficult. Homing in on key indicators of performance is difficult. It is easier to measure quantity than quality.

The difficulty of preparing performance indicators to capture the quality of services; and the need for clear targets before indicators can be meaningful.

### **Metropolitan Districts**

Misunderstanding of purpose  
Teething troubles

Some reluctance to change traditional ways of thinking, that is make the cultural change required in order to focus more on outputs and outcomes rather than simply inputs.

Many measures not previously measured and many targets were set initially by estimating.

Encouraging officers to take ownership of the system in competition with their own work priorities; agreeing a system which meets the differing needs of each department; suspicion of the purpose behind measuring performance and the way in which any information from it will be used; obtaining general agreement to the teaming of the many and different terminologies used; and training managers involved, in producing plans which link the numerous elements of a performance management process, to arrive at practical documents rather than a paper exercise.

### **Non-Metropolitan Districts**

Time inputs and cultural change  
Difficult to get the right training at the right time to the right people  
Resources and members perception of their role



Fairly hard work and traumatic environment in which we are operating.

Some staff, particularly junior staff, saw performance targets as a threat; targets tended to focus on inputs and processes rather than outputs and outcomes, a problem which has not yet been fully resolved; and lack of comprehensive data from other authorities.

All change is feared, particularly when it exposes individual performance. The education process has a distance to go still.

Though everyone was supportive and most agreed it to be a good thing; when it came to stating policies, setting targets and standards, there were problems with officers giving the work involved sufficient priority and time. Providing members with service plans to be agreed as the basis for the next years work, with appropriate budget, focused the minds of the officers involved.

Identifying appropriate performance indicators

Pressure of work on officers in a small local authority. Defining actual targets and introducing systems which would produce information in the form and on the correct timescale, to monitor performance.

The system is the HEQ system - it is seen as being something of an optional extra by many. It is not yet fully implemented and both members and officers support can at best be described as lukewarm.

The Performance Review System has been established as part of an overall performance management process including the drawing up of a corporate Policy Plan and individual service Business Plans. The main difficulty is of course, bringing about the necessary changes in attitudes throughout the organisation to make it work. In its first year, we were really only going through the motions but this year there are signs that we are winning.

Officers complained about not having enough time to prepare business plans.

Not perhaps a major difficulty but recording systems for performance measurement take a considerable time to establish.

Low level of awareness of full potential of performance review among members and some officers, caused limited degree of support. This was compounded by some services being dealt with at too operational a level for members interests. Process is still being developed to address these and in particular to develop the role of members.

Not major but the system focuses at the moment on key tasks which are predominately new initiatives/directions. Performance measures for routine services are being evolved and are currently patchy.

Cultural - 2  
Change in culture and systems

Trying to get the balance right between identifying meaningful indicators whilst avoiding the imposition of too bureaucratic a process of record-keeping. There were concerns about performance review being a means of stepping up productivity and cutting back on staff.

Resistance to change; fear of personal appraisal; and council inertia.

Available resources, corporate approach in early stage, teasing out meaningful indicators, setting up monitoring systems, selling on the benefits, and agreeing the system of performance review.

This process is now being undertaken in conjunction with the establishment of a Business Plan for the authority. Without previous experience and knowledge, it is difficult to know where to start and trainers are being employed to help disseminate the need for this information throughout the organisation. Difficulty especially in central and support services in knowing how to set up standards. Problem of ensuring that all standards are "standardised" and what kind of measuring system to be used.

Time and priorities; commitment to system by officers and members; and cultural adaption by both officers and members.

Decentralised arrangements has allowed Committees to deal with performance issues differently in initial stages. This is now being addressed to bring more across the board arrangements into play.

### Sustaining momentum

There have been difficulties in establishing the nature of the information to be provided to members. There is a danger of information overload and the right balance has still to be struck. The establishment and the choice of performance targets and areas for policy review was not an easy task.

Changing focus from inputs to outputs; developing a more performance-orientated culture; getting a common or corporate approach; establishing management information systems; identifying effective performance indicators; and selling the need for change to frontline and support staff.

System introduced in Autumn 1990 with elections due in May 1991. Any corporate strategy agreed at that time would have been a hostage to fortune. Therefore first annual reports in May/June 1991 were presented in something of a vacuum to a new Labour administration. Members want more information on quality which is the hardest aspect to measure. Approval of proposed corporate strategy and development of quality measures will help.

To release sufficient resources to set up the system

Senior staff could not see the advantages; staff felt threatened; and performance indicators have been difficult to agree.

Officers commitment and fear of being held to account for matters outside their control. There was also concern at more administration competing with time spent on service delivery.

Ownership of measures/system by all involved has been slow to develop. Initial measures are crude. Performance review is developing as part of business unit ethos.

It has proved difficult to maintain a consistency of approach between different activities in setting up performance indicators.

Perceived to be "yet another burden and an unnecessary diversion from getting on with the real job."

Underestimated resource requirements; senior members had not explained things to their back bench colleagues; some officer resistance in the support services.

It cannot be installed overnight; if properly implemented, it should take 12-24 months to take effect with benefits to customers and organisations; coping with constant change and refocussing objectives and resetting targets.

Time pressures and dynamic policies and targets  
Enormous time requirements

Problems, or more accurately needs, arose for better communications and managerial information. These resulted in positive steps being taken, such as an improvement in information technology and team building.

**APPENDIX 6.9: HOW DOES PERFORMANCE REVIEW FIT INTO THE CORPORATE MANAGEMENT STRUCTURE ?**

**London Bourghs**

Fully integrated - 2  
Report to chief executive  
Chief Executive/Policy Development Team  
Service Contract Process  
Management Board  
Sub-Group of Council Management Team  
Integrated into Council Management Team  
Part of all COs posts  
Priority for Council Management Board  
Review reports to members

Meeting performance review targets is part of each chief officers annual performance contract.

Each departmental management team has responsibility for their service plan and the reviewing of performance.

The policy analysis unit supports the management team and the chief executive and the performance review sub-committee with respect to performance review.

A Review Team in the managing directors office runs the corporate process, but individual departments retain responsibility.

**Scottish Regions  
Management Team**

It is viewed as an integral part of the cyclical planning system - even though this is just underway. Outcome of the PR work feeds into next planning and budgetary cycle. The management team will be discussing a series of related papers produced by the Principal Corporate Adviser.

Part of accountable management process but all performance review initiatives are endorsed by Chief Officers Management Team.

**Scottish Districts**

Management Team - 4  
Led by chief executive  
All chief officers involved  
All managers involved  
Chief officers team  
Audit System Section  
Policy Co-ordination Unit  
Chief Executive's Management Team and the strategic planning group.

**Welsh Counties**

Performance Review Group to Management Team  
Management Team

PR is carried out through the co-ordinating role of the Chief Executive and the Management team is the officer reference group.

### **Welsh Districts**

Management team - 3  
Management process  
All tiers of management  
It doesn't

### **County Councils**

Through the chief executive - 3  
Part of the culture  
Chief officers group  
Chief executive/ACE/Head of Corporate Support/Corporate Team

All system related reports are approved by the chief executives management team before being submitted to other officers. The assistant chief executive has responsibility for this process.

Overall review responsibility is with the Policy and Resources Committee but it is firmly with Service Committees for operational key tasks.

Each chief officer has responsibility to his/her committee for service delivery.

The chief executive undertakes PR with all his chief officers and reports on a six-monthly basis.

The policy unit reports direct to the chief executive and chief officers group.

Performance review is one element of a total performance culture.

Systems kept under review by chief executive and corporate management teams.

Chief executive is ultimate lead officer and issues are referred to Chief Officers management team as appropriate

Policy and review unit (6 staff), one of 4 units in CEs office; 2 FTE of 6 work on service and budget material.

The policy research unit reports to chief executive on service committees performance in operating the system. The Committees are responsible for their own performance.

Chief executives business practice unit and the Surrey audit team.

Built into Committee structure - each committees considers a performance indicator report at its quarterly meetings with an annual review by Policy and Resources Committee.

### **Metropolitan Districts**

Management Team - 4  
Chief Officers Group  
Departmental heads

### **Non-Metropolitan Districts**

Through chief executive - 2  
Chief Officers Management Team - 2  
Regular reviews of progress and co-ordination of action  
Corporate Services Officer attends Management Team meetings

**Key objective**

**Quarterly report to Management Team of performance targets and indicators**

**Items of report are considered prior to Committee meetings**

**Individual managers responsibility**

**Not fully integrated yet**

**Chief Executive's Management Team - 3**

**Through chief officers responsibilities - 2**

**Fully integrated into management - not a separate exercise**

**LGR officer reports to chief executive**

**Corporate Management Team**

**Issue regularly features on the agenda**

**Reports on performance review made to management team quarterly**

**Fully integrated with the entire structure**

**Cascade effect**

**Performance review officer support group reports to Management Team**

**Regarded as part of normal management duties**

**Management Team reviews departmental performance trends**

**Business plans are a fundamental part of the corporate plan and performance indicators are fundamental to business plans.**

**Through Management Team - 2**

**Still to be determined**

**Small unit reporting to the chief executive**

**Through Chief Officers Management Team**

**Part of service plan/service review process**

**Through senior management**

**Management Team make monthly reports to members**

**Via Strategic/Business Planning Process**

**Chief officers report on progress towards targets to Policy and Resources Committee on a quarterly basis.**

**Chief Executive's Management Team - 3**

**Chief Officers Group - 2**

**Corporate Management Team discuss issues**

**Review team report to sub-committee through the chief officers group**

**Corporate Planning Officer is a member of Management Team**

**Management Services located within the Chief Executive's Department**

**Assistant chief executive ensures process runs smoothly**

**Through senior management**

**Reports by section heads to management team**

**The Management Team reviews every service twice a year on a rolling annual forward plan.**

**Chief executive determines topics for review in consultation with Chairman of Performance Review Sub-Committee and considers all review reports prior to going to committee.**

**Management Team - 2**

**Head of consultancy services reports to corporate strategy and planning group**

**Corporate planning until in chief executive's directorate**

**Auditors report to management team**

**Integrated**

**All review reports to management team**

**Chief Officer Board receives exception reports**

**Monitoring by Board of Directors**

**All staff involved in appraisal**

**PR is now an integral part of the Corporate Management Process**

**Chief officers report to the chief executive**

**Performance manager reports to the chief executive**

**Management Board receives quarterly monitoring reports**

**Management Team oversees development and operation of process**

**Through chief executives department**

**Chief Executive's Management Team**

**Fits in at all levels**

**Chief executive's department and line managers**

**Through Policy and Support Unit**

**Review officer reports to chief executive**

**Through Head of Policy Unit**

**Management team takes an overview**

**Chief officers team considers prior to submission to members**

**APPENDIX 6.10 : WHAT IS THE DESIGNATE OF THE OFFICER WITH PERFORMANCE REVIEW RESPONSIBILITIES?**

**London Boroughs**

Chief Executive - 3  
All Chief Officers - 2  
Policy Development Officers - 2  
Chief Executive and Central Review Team  
Assistant Chief Executive and Chief Officers  
Assistant Chief Executive  
All Senior Staff  
Head of Policy and Performance Review  
Review Manager  
Performance Review Manager  
Head of Strategic Policy and Performance  
Head of Performance Monitoring

**Scottish Regions**

Chief executive  
Chief executive and assistant chief executive  
Assistant chief executive  
Principal Corporate Advisor

**Scottish Districts**

Chief executive - 4  
Chief executive and various others  
Assistant chief executive  
All chief officers and chief executive  
Central services director  
Principal management systems officer  
Policy and strategy officer  
Policy co-ordination officer  
Research and development staff  
New post

**Welsh Counties**

Assistant chief executive - 2  
Chief executive

**Welsh Districts**

Chief executive - 2  
All directors  
Personnel and management services officers  
Management services officers  
No specific responsibility assigned

**County Councils**

All chief officers - 4  
All staff involved - 2  
Assistant chief executive - 2  
Ultimately chief executive  
ACE and principal planning officer



Chief executive and policy review officer  
Chief Policy Review Officer  
Chief executive through Management Services/Internal Audit  
Director of Corporate Services  
Corporate planning officer  
Head of Management Services  
Head of Policy Review  
Head of Corporate Support  
All senior staff

**Metropolitan Districts**

None specifically - 2  
Management Development Unit  
Policy Assistant  
Personnel Officer  
Secondment so varies  
Assistant Chief Executive  
All chief officers

**Non-Metropolitan Districts**

All chief officers - 5  
Corporate Services Officer - 2  
Chief Executive - 2  
Democratic Services Manager  
Head of Corporate Support  
Chief Executive - 4  
All chief officers - 3  
Service managers - 2  
Senior Corporate Support Officer  
Principal officer  
Local Government Review Co-ordinator  
Head of Personnel and Administrative Services  
Corporate Management Team  
Research Officer  
Performance Management Officer  
Assistant Director (Audit)  
Assistant Chief Executive  
Chief Executive - 3  
Senior Strategic Management Officer  
Strategy Co-ordinator  
Policy and Review Officer  
No specific designate defined  
Assistant Head of manpower Services  
Management Team and 2nd tier officers  
Assistant Chief Executive  
Performance Review/Policy Assistant  
Service managers - 3  
No specific designate - 2  
Chief executive - 2  
Interdepartmental teams of 2nd tier officers  
Principal Corporate Planning Officer  
Head of Management Services  
Corporate Review Manager  
All staff have a part to play  
Performance Management Review Officer  
Chief Policy and Administration Officer

**Policy and Performance Manager and chief officers**  
**Assistant Chief Executive - 2**  
**Head of consultancy services**  
**2nd tier mainly**  
**Head of Audit and Review**  
**Organizational Development Manager**  
**Corporate planning officer**  
**Chief Management Support Officer**  
**Chief Executive**  
**Corporate Services Officer and Chief Officers**  
**Management Team**  
**Individual chief officers for their area**  
**Performance Manager**  
**Head of Corporate Affairs**  
**Chief officers**  
**Head of Corporate Planning and Development**  
**Personnel Office**  
**Training and Personnel Officer**  
**Assistant Chief Executive - 2**  
**Audit and Review Manager**  
**Head of Policy and Support**  
**Performance Review Officer**  
**Head of Policy Unit**  
**Chief executive**  
**Principal Executive Officer**

**APPENDIX 6.11: HOW MANY STAFF ARE SPECIFICALLY INVOLVED IN PERFORMANCE REVIEW ?**

**London Boroughs**

None specifically - 3  
All senior managers - 2  
All staff  
All chief officers  
6 central  
3 centre, 5 departmental  
3-5 centre  
5 FTE  
2.2 FTE  
0.5 FTE  
Pilot - 2

**Scottish Regions**

All accountable managers  
20 FTEs centrally  
2 FTEs at centre plus all chief officers  
None specifically

**Scottish Districts**

None specifically - 2  
2 FTEs - 2  
All chief officers  
All managers  
All staff  
Varies  
5 FTEs  
3 FTEs  
1 FTE  
2 FTEs and chief executive and all chief officers

**Welsh Counties**

All chief officers  
None specifically  
8 FTE

**Welsh Districts**

None specifically - 4  
5 FTE  
3 part time

**County Councils**

All staff - 3  
All senior managers - 2  
1  
3  
8  
Line management and chief officers  
6 at the centre but many in departments

5 lead officers but many others for specific reviews  
 Chief executive and policy review officer  
 None whole time  
 2 corporate but many other service-based staff  
 Many staff throughout the authority  
 None specifically  
 2 centrally plus service treasury input  
 Pilot

So far approximately 400 teams (ie. one manager and team members) have been introduced to PM and are starting to get into Performance Review. Some teams are undertaking PR on a three-monthly basis, some on a six-monthly basis, the minimum recommended is annually.

### **Metropolitan Districts**

2 FTE  
 3 FTE  
 5 FTE - 2  
 6 as part of duties  
 9 but not FTE  
 All senior staff  
 All management

### **Non-Metropolitan Districts**

1 - 3 responses  
 None specifically - 3  
 5  
 8  
 3 full-time and committee officers  
 All staff  
 Varies from department to department  
 All service managers - 3  
 1 - 2 responses  
 None specifically - 2  
 1 part-time  
 3  
 4  
 10  
 20  
 All staff  
 Responsibility of co-ordination is with one officer on a part-time basis  
 All line managers  
 1 dedicated but all line managers  
 Pilot  
 1 - 2 responses  
 1 part-time  
 17  
 3 corporate but all staff  
 12 but all staff are being involved  
 All staff  
 Chief executive co-ordinates 12 staff  
 Small but variable number of chief executives unit  
 None solely involved in this function  
 Pilot  
 None specifically allocated - 3  
 All staff - 2

All chief officers plus 1 FTE to support process  
Many central and services officers  
1 FTE plus others on non-dedicated basis  
2 specifically  
7  
60  
1  
All service managers  
Chief officers and service managers  
Varies  
3 - 3 responses  
2 - 2 responses  
All staff - 2  
None specifically - 2  
1  
4  
4 part-time  
All managers  
1 centre plus officer working group  
None on a full-time basis  
All senior officers  
One centrally plus in-service staff as necessary  
50 appraisers  
1 - 2 responses  
3 "central" staff  
None full-time  
All managers  
Varies significantly depending on review areas  
None specifically  
3 but none full-time

**APPENDIX 6.12: WHICH OFFICERS CARRY OUT PERFORMANCE REVIEW WORK?**

**London Bourghs**

All staff - 2  
Policy planners - 2  
Chief Executive office staff  
All chief officers  
All senior managers  
External and internal  
Policy division  
Central Policy Unit staff  
Policy planners and service managers  
Policy planners and internal auditors  
Various  
Pilot - 2  
Business Analysts, Internal Audit and Line Managers.

**Scottish Regions**

All accountable managers  
Various

Policy planners, service managers, officers directly involved in service provision, internal auditors and other appropriate central service staff to a degree (as and when required).

The Chief Executive, policy advisors and directors of departments.

**Scottish Districts**

All chief officers - 3  
Policy planners and others - 3  
All senior officers  
Internal audit  
Policy development manager  
Research and development officers and all chief officers  
Team of 6 officers  
Varies  
Pilot - 1

**Welsh Counties**

All chief officers  
All senior managers

Systems and efficiency (Management Services) staff, internal auditors and DP staff, all departments.

**Welsh Districts**

All officers - 2  
All staff  
Management services staff  
Varies  
Management services staff working with officers of the human resource section.

**County Councils**

Policy planners - 2  
All senior managers  
All staff  
Service officers  
Policy review officer  
Management Services/Internal Audit  
Corporate services staff  
Pilot

Officers of the Corporate Policy Review Unit/Internal Audit/Departmental officers who support their own Committees' Policy Advisory and Review Sub-Committee.

Staff in chief executive's office and all departments which are responsible for accounting for their achievement of key tasks.

Policy planners and internal auditors together with departmental staff.

Each manager is responsible for reviewing the achievements of their direct reports.

Corporate planners, internal auditors, management services and policy planners in departments.

Each project includes departmental based team leaders supported by other departmental staff as appropriate plus management services and internal audit staff.

Policy planners; service managers and accountants.

Policy research unit (2); management consultancy unit (5); and ad hoc teams.

Chief executives business practice unit and the Surrey audit team.

Policy planners, internal auditors, service accountants and service specialists.

**Metropolitan Districts**

All senior staff - 2  
Management Development Unit officers  
VFM officers in finance  
Personnel and management services officers  
Varies throughout the authority  
Performance review team  
Management efficiency staff

**Non-Metropolitan Districts**

Corporate Services Officer and Internal Audit - 2  
All chief officers supported by personnel manager  
Policy assistant  
Management Services/Internal Audit  
All 1st/2nd/3rd tier officers  
It is the responsibility of each department to measure its own performance  
All staff  
Policy planners, internal audit and chief officers  
Corporate support and all other officers  
Officers from the Strategy and Information Department  
Principal officers - 2  
Varies - 2

Chief officers and heads of service  
Principal Personnel and Administration Officer  
Service managers  
All heads of service  
Corporate Management Team  
All line managers plus performance management officer  
Internal audit  
Line managers and principal administration officer  
Still to be decided  
Pilot  
Chief executive departmental staff - 2  
Strategic management unit  
Policy planners  
Divisional managers  
Consultancy services  
Senior managers  
Assistant Chief Executive  
Varies from department to department  
Senior staff in all departments  
Pilot  
Chief officers and service managers - 2  
Team led by finance/personnel  
Staff in all departments  
All staff except clerical and secretarial  
Corporate planning and economic development officers  
Management Services and personnel staff  
Internal auditors occasionally external auditors  
Chief officers/corporate planners  
1st/2nd and 3rd tier officers  
Auditors conduct value for money studies  
Section leaders  
Many throughout the authority  
All staff but supported by performance review unit

Policy development officers, performance and monitoring officers, quality  
management officers, internal audit and service managers.

Internal consultants  
All managers  
Auditors  
Policy planners  
Performance review consultant  
Management Services  
Policy planner and officer working group  
Management Support Staff  
All staff  
Senior officers and corporate management staff  
Departmental specialists assisted by finance/admin staff as necessary  
Senior staff  
Performance manager  
Corporate Planning and Review Unit staff  
Management Services and Operational  
Strategic planners  
Chief officers and senior managers

Audit and review officers  
Assistant chief executive  
Line managers



**Predominately unit managers**  
**Performance review officer and audit team**  
**Varies according to area being reviewed**  
**Head of secretariat**  
**Policy planners and individual service managers**

**APPENDIX 6.13: WHICH COMMITTEE HAS RESPONSIBILITY FOR PERFORMANCE REVIEW?**

**London Bourghs**

All - 4  
All Service Committees - 2  
None - 2  
Budget and Performance Review  
Policy  
Policy and Resources  
Policy and Resources plus all Service Committees  
Policy and all Management  
Policy, Resources and Performance Review  
Service and Policy and Resources  
Performance Review  
Performance Review sub-committee of Resources

**Scottish Regions**

Policy and Resources - 2  
All Committees but specifically Policy and Resources  
All committees for their own Service Area monitoring and the Performance Review  
Sub-Committee for the process and strategic/corporate review.

**Scottish Districts**

Policy and Resources - 4  
Policy - 2  
All Service Committees plus Policy and Resources  
Policy (Cabinet) Committee  
Performance Review  
Performance Review sub-committee of Policy  
Strategy and Review Group  
Resources and General Purposes  
All members involved

**Welsh Counties**

Policy and Resources Committee  
Performance Review and Parliamentary Committee  
Quality Assurance Panel to Policy Committee

**Welsh Districts**

All committees - 3  
All service committees  
All service committees and strategy/policy co-ordination  
Performance Review Committees

**County Councils**

All committees - 5  
Performance Review Sub-Committee - 2  
Policy - 2  
Policy and Resources Committee  
None specifically  
All service committees

**Quality Service Sub-Committee**

All Committees but overseen by Performance Review Sub-Committee of P & R - 2

Policy and Review Sub-Committee

Resources Co-ordination Corporate Policy Advisory Sub-Committee

Policy and Resources and all service committees have performance review panels.

Service Committees responsible for reviewing their own performance with the Performance Review Sub-Committee of the Policy and Resources Committee ensuring that this is done effectively.

**Metropolitan Districts**

All Committees - 3

Performance Review Committee plus all committees

Effectiveness and Efficiency Committee

Quality Services Sub

All Service Committees

Performance Review, Policy Planning Strategy Committee and the individual Service Strategy Committees.

**Non-Metropolitan Districts**

All committees but ultimately Policy and Resources - 2

Policy and Resources - 2

Performance Review Sub-Committee

Policy and Resources (Special) Sub-Committee

Performance Review Committee and all Service committees

Policy

Quality and Performance Review Committee

Management Review Sub-Committee reporting to P & R

A Sub-Committee of Finance

All Committees - 4

Policy and Resources - 2

Policy Committee - 2

Performance Review Sub-Committee - 2

Policy and Performance Review

Performance Review and Audit

All Service Committees

All Service Committees but ultimately Policy Committee

Performance Review Sub-Committee and all service committees

Performance Management Committee

Sub-Group of Policy and Resources

Policy and Resources - 3

Finance and Policy and Resources

Organisation and Review Sub-Committee

All Committees but ultimately Policy and Resources

Performance Review/IT Group

Performance Review Sub-Committee and Service Committees

Policy and performance Review Committee

All Service Committees

All Committees

All Committees - 4

Performance Review Sub-Committee of Policy and Resources - 2

Performance Review Sub-Committee - 2

Service Committees - 2

All Committees but specifically Policy

**Corporate Planning and Service Review Sub-Committee  
Performance  
Performance Review Committee**

**Service Committee's responsible for their respective departments. Policy and Resources for corporate and support services issues.**

**Performance Review Sub-Committee - 4**

**Policy and Resources - 3**

**Policy Committee**

**Resources**

**All committees particularly Policy and Resources**

**Principal Committee for its respective three year Service Plan**

**Personnel and Performance Review Committee**

**Policy and Management Committee**

**Sub Committee of Policy**

**Strategy Committee**

**Performance Review and Programme Committees**

**Corporate Review Group reports to Policy and Resources**

**Establishment**

**Policy and Resources - 2**

**No single specific committee**

**Service Committees responsible for their own performance review**

**All committees**

**Finance Sub-Committee and all service committees**

**Performance Review Working Group reports to Policy and Resources**

**Performance Review Sub-Committee**

**APPENDIX 6.14: HOW IS THE PERFORMANCE REVIEW SYSTEM LINKED TO THE POLICY PLANNING/STRATEGIC PLANNING PROCESS ?**

**London Boroughs**  
Integrated  
Limited  
Via Service Contracts  
Base Budget Reviews  
Fully integrated

Member involvement is now increasing and PR is used to identify VFM studies. The whole process informs the "vision."

Through committee agreement of targets for services and each Committees Three Year Plan details strategic developments which translate into targets for services.

All relates and begins with the Councils "vision" and then cascades down to service and corporate objectives, and then down to individual performance contracts.

Key tasks and review are part of the strategic plan for this authority.

Both activities are co-ordinated through the strategic policy unit and the Corporate Management Team.

Relates to Corporate Policy and Service Policy Plans.

It is part of departmental service plans which set out Committee objectives established by members.

Use of historic data as a basis for planning; should comparatively poor performance be caused by lack of resources then a neighbourhood could consider reallocation of budgets.

Through a recognised timetabling of events and seminars, linking into the budget process.

**Scottish Regions**  
Through corporate plans  
Liaison

Move through from Vision and Mission to Corporate Plan/Strategic Policy Statements to Service Plans to Budget Process to Monitoring and Review in a continuous cycle. The review process is to be based on key issues in the main.

It is the process of strategic management of change.

**Scottish Districts**  
Loosely  
Documentation

The values of the ruling group are shared with our public. They inform the strategic goals of the Council and we try to make projects which meet these goals.

A corporate strategy was developed - the strategic objectives have been reflected in the work programme of the council.

Directors sit on the Strategic Planning Group and also monitor performance.

Management team prepare the annual work plan incorporating performance review.

### **Welsh Counties**

Our system is a three stage cyclical process whereby review feeds into policy formulation which feeds into policy budgets which feeds back into review.

The PR system is closely linked to the development of the Council's strategic policy statement. PR will be used to assess corporate strategic objectives.

### **Welsh Districts**

By virtue of monitoring and intuition by the corporate management team.

Only to the extent that the setting of performance targets could be influenced by predetermined targets.

It is loosely related by reviewing performance against targets to determine actions to be taken to improve performance.

### **County Councils**

Through the Action Plan

Via Service Plans

See documentation file (Hertfordshire)

The old system comprised of a vision and first and second level objectives for the County Council and Departments; and position statements including performance measures and departmental programmes of review. This has been simplified for the new system about to come on-stream.

Through the annual budget process and by relating annual key tasks to Committee Principal Accountabilities.

Through policy objectives and resource centre plans.

A review takes place each Autumn prior to the budget setting process.

The planning process outlines the direction in which DCC is going and all Key Result Areas and Performance Standards need to be linked to this.

Service policy committees do general scene setting; limited range of simple year objectives set alongside budget; evaluation.

In all cases to the development budget process but more directly in social services community care plans etc.

The Statement of Policy Aims and Objectives is to be reviewed annually in the Summer committee cycle in preparation for work on the budget and setting of annual targets. The achievement of targets for the previous year is monitored in the summer cycle.

The plans contain the targets, set in December for the following year (April-March). June sees presentation of performance report for previous year.

The policy planning/strategic planning process forms the basis of the PR system.

Performance measures form an integral part of the background data available for and used during the budget planning process.

Three year Committee Service Plans are produced annually, containing targets and indicators where possible. Quarterly performance indicator reports are produced for each Committee - these refer inter alia to the plan targets.

### **Metropolitan Districts**

Via Service Plans

Via Service Objectives

Departmental Plans

Fully integrate Policy Planning Process

Performance management integral part of process

Strategic objectives taken into account in choosing measures.

### **Non-Metropolitan Districts**

Reference to corporate plans, budget documents and strategy documents

Integral part of policy plan

Performance indicators are included in service plans

Service objectives reflect strategic requirements

Through annual service reviews

Strategy Group determines policy/strategic issues

A corporate statement of strategic aims is reviewed annually - the Councils general response to the needs and demands of the District. "Effectiveness" measures are determined by a services contribution to these strategic goals.

Key priorities are sub-divided into objectives/targets for development which forms basis of measurable performance review system.

It defines what is done, when and in the correct priority.

Via Business Plans - 3

Performance Monitoring of pre-set targets

Policy Objective Statements

Through Corporate Plan

Budget cycle and electoral cycle (annual elections)

The approach is essentially performance management orientated, geared to very simple priority statements.

Each service will have a working group which will be comprised of members and officers. The groups will look at service provision and then feed these ideas into the corporate planning process.

The corporate planning process identifies issues which need policy decisions and reviews on specific activities flow from this. Annual reports on all operations show up the need for reviews.

Vision, council plan, business plans leads to performance review

Strategies all incorporate targets

Annual Service Plans etc.

Through Service Plans

Three year plan developed but subject to annual reviews

Through the annual review of Business Plans

See attached documentation (NM10125A)

Start with business plan, then to service strategies, then annual estimates and targets, then routine reporting to officers and members.

Performance Review Sub-Committee looks at policy review. Policies/policy objectives are identified and effectiveness reviewed. Policy objectives will be fed into the strategic/business planning process which will be subject to performance review.

Four Year Strategic Plan

Service Planning

Service delivery planning

By reference in the Corporate Plan

Annual process

Members and officers involved in both

Through committee process particularly deciding priorities

Review looks at how the Council has performed against its stated objectives

Performance measures identify areas for policy development/review

Areas for review will be identified as part of the strategic planning process : through consideration of stakeholders' views, the strengths and weaknesses of the authority, the challenges facing it, and its strategic objectives.

Corporate strategy will set objectives - performance review will measure performance against them - previously objectives were implicit rather than explicit.

Via Management Team to appropriate committee

Targets and objectives are set in context

Part and parcel of the process

Based on Committee Service Plans and Aims

Provides information for Forward Planning Cycle

Fully integrated

Linked to Business Plan and Mission Statement

Currently being developed

Three year aims and objectives set medium term plans. Performance review is concerned with the first of these years.

Each department examines the strategic objectives, through their business plans through to their own performance indicators.

Measures and targets related to objectives, related to aims and set in the context of available resources allocated by each service committees.

Corporate goals and strategy guide the service planning objectives and targets which are measured and performance indicators are monitored by committees. Results are included in annual reports.

Annual cycle of policy review culminating in members Policy Seminar

Objectives outlined in Council's Strategic Plan

It is the monitoring process for corporate strategy

Provides information on which plans are based and provides mechanism for ensuring implementation of plans.

We are beginning to set or agree strategic objectives at the corporate level from which all other objectives and measures should flow.



**The system provides the means for implementing and monitoring the implementation of the councils business plan. This contains corporate and service objectives and targets.**

**The start of the performance review system was a review of strategic objectives. The performance review system uses key tasks also to establish timetables for strategic planning.**

**APPENDIX 6.15: HOW IS THE PERFORMANCE REVIEW SYSTEM LINKED TO THE BUDGETARY PROCESS ?**

**London Boroughs**

Fully integrated  
Policy review/budget statement

Strategic Objective Setting; service contracts are budget-based.

Cash limited budgets sets initial framework for performance. Income targets may be set for services.

The policy budget process will increasingly encourage past performance to be taken into account in resource allocation decisions.

Our budget is based on policy plans.

**Scottish Regions**

Service plans are expected to demonstrate how proposals will progress the Council's strategic objectives which are then taken into account in budget allocations. This process is still fairly embryonic and requires considerable refinement.

It is the process of strategic management of change.

Directors have regard to targets in drawing up working papers for their revenue estimates and the Capital Programme.

**Scottish Districts**

Regular reviews  
Regular reports to committee  
Via Policy and Resources committee  
Documentation

The PR system is linked to the budgetary process but not driven by it. There is a vast amount of work to be done before getting to the stage where policy decisions determine all spending priorities.

Any revision must take account of the cost of the service and the councils overall financial position/objectives.

**Welsh Counties**

Our system is a three stage cyclical process whereby review feeds into policy formulation which feeds into policy budgets which feeds back into review.

**Welsh Districts**

Budget monitoring

We are aiming to make the budget process more service and policy objective led but this will take time - it is like trying to change the direction of an ocean liner.

## **County Councils**

Quarterly reports show progress to date on the budget

This was a major deficiency in the original system. The revised system demands Treasury involvement in Departmental service Delivery Plans.

Key tasks are considered in draft as the budget is formulated and reviewed before finalisation to ensure what resources will be available to achieve their implementation.

Objectives have to be linked and affordable.

A review of performance takes place each Autumn prior to the budget setting process and the results are fed into the process.

This county council is currently involved in delegating budgets to named budget holders who will be the only person authorised to delegate or spend against that budget.

Service policy committees do general scene setting; limited range of simple year objectives set alongside budget; evaluation.

In all cases to the development budget process but more directly in social services community care plans etc.

Intention is that performance indicators will be included in the Budget Book showing changes over time.

The plans contain the targets, set in December for the following year (April-March). June sees presentation of performance report for previous year.

Service Committees will consider service plan options in the light of available budget.

Policy/strategic planning cannot be separated from budgetary planning

## **Metropolitan Districts**

Fully integrated

Draft business plans are bids for resources

Through target budgets based upon service priorities

## **Non-Metropolitan Districts**

Control of budget features in PR system

Financial and manpower resources

Through Cost Centres

Service plans are the 1st stage of the budget cycle each year

Budgets based on service analysis and performance standards

Service plans are presented with the next years budget

Budgets (capital and revenue) are determined within a corporate cost-benefit framework based on overall objectives. The performance standards for each service reflect what is achievable within the level of resources allocated to a service via this process.

3-year budget forecasts are built into business plans

Monitoring of Capital and Revenue Budgets

Through budget and business planning

Key tasks agreed in July as basis for budget

Targets are related to annual budgetary exercise

Prioritisation of budgets is achieved through recognising agreed policy/strategic objectives - at least that is the theory.

Business Plans in October contain draft budgets for following year. All budgeting done in the context of Plans.

The Forward Business Plan process must go in parallel with the budgetary process.

The whole budget/corporate planning/review systems are interlinked, although major reviews of performance are often undertaken for political reasons also.

See attached documentation (NM10125A)

Annual Service Plans etc.

Through Service Plans

Three year plan linked to RSG/SSAs and capital and revenue budgets

Council strategy sets the framework for the budget

Fully integrated

Used to find options for change to meet capping level

Automatically since each committee reviews its own services

Via Business Plans which incorporate resource bids

If PR process identifies shortcomings then considered in the budget process

Budget Cost Centres now coincide with service plans

Service delivery plans are drawn up before the budget for the year

Budgetary implications of service reviews are fed back into the budgetary process

Budgetary control will be a target for each service committee

Annual process

Budget Review Groups

Business Service Plans are submitted prior to the budget process

Tasks/initiatives planned within budgets

Indirectly

Trading accounts are prepared at the same time as performance measures are set.

Budgets are operated as trading accounts at the user level

Through three-year Service Plans

Through the Forward Planning Cycle

Internal Business Budgets must have regard to achievements

Review findings fed in as appropriate

Income/expenditure reports regularly fed to Management Team

Cycle of events is intertwined

Targets must be met within budget

Currently being developed

Documentation (NM12244A)

Budget determines objectives/new initiatives and resources available to carry out functions.

Progress in implementing capital and service development projects are reported to Council quarterly, along with performance indicators.

Service plans are made and budgets estimated, reviewed and set by service committees and policy and resources committee. The budget is one of the targets to achieve.

Part of same documentation

Financial performance is part of the process

Monitored by committees with budgets

Organisational progress is fed into budgetary choices

**APPENDIX 6.16: HOW DOES YOUR PERFORMANCE REVIEW SYSTEM COPE WITH CONFLICTING AND MULTIPLE OBJECTIVES ?**

**London Boroughs**

Problem not arisen - 2  
Resolved by policy process  
Resolved by Chief Officers Group  
Service by service  
With difficulty  
To be decided  
Not an issue yet  
Clear priorities

The PR system exposes conflicting objectives in a way that helps clarity; it provides a supportive approach to managing multiple objectives.

Key service objectives are scrutinised; all draft service contracts are scrutinised centrally.

By discussions between chief officers and members.

There are other systems under development to weigh priorities between services - Pis will help with these.

Through corporate resolution and attempts to improve strategic planning across different directorates and Committees.

Discussion before final publication resolved some of these.

The system provides raw material for decisions. Members can use PR and other information to reach decisions.

**Scottish Regions**

With difficulty  
Not yet a problem  
Too early

Not outstandingly well. the council shied away from appraising PR targets - they thought that approval might dictate chairman of resources in future.

**Scottish Districts**

Not yet a problem - 2  
Too early - 2  
Badly  
Negotiation  
Prioritisation  
Concentration on set area  
Reviewed as necessary  
Elected members resolve  
Not yet determined  
Not a problem

**Welsh Counties**

Via the Policy Budget Process

Too early to assess

It is too early to be categorically sure how it will cope, but a key purpose of the PR process is to expose and reconcile conflict at a corporate level.

**Welsh Districts**

Internally at committee

Depends on the problem

Not yet a problem

It has to be fitted into the scheme of things. it is an integral part of the management process.

**County Councils**

With difficulty - 3

Common sense

Multiple Performance Review Panels prevent this being a problem

Targets are prioritised

Still working out

Committee debate

By recognising priorities

Key tasks are formulated on the basis that budgetary provision exists for their achievement.

In the introduction of PM one of the requirements is to ensure that each individual has unique responsibility for his Key Result Area. This then avoids conflicting and multiple objectives.

Such difficulties are dealt with outside the system.

Our PR system has to be seen in the context of other systems/political accountability etc. it does not bear weight of conflicting and multiple objectives.

We try to make sure that there are not too many objectives in each area and that they represent the authority's overall philosophy.

Set priorities according to the overall strategic direction of the authority.

I don not believe that objectives are conflicting but they are multiple. The main problem is to identify key measures. I would not claim that we have succeeded.

**Metropolitan Districts**

It doesn't yet

Varies according to conflict

Resolved by Performance Review Committee

Not yet a problem

Clarification of objectives

Each department relates to objectives of its service committees - individual services within departments have own plans with operational objectives PIs relate direct to service provision - through strategic priorities.

**Non-Metropolitan Districts**  
**Resolved at Management Team**  
**Through Board of Directors**  
**Not been a problem**  
**With difficulty**  
**No formal arrangements for this**  
**Too early to say**

As far as possible, "conflicting" objectives are resolved in debate within the Chief Officers Management Team. "Multiple" objectives are encouraged by the system : a recognition that services are capable of delivering against a range of strategic goals.

This analysis takes place before objectives are set to ensure that targets are realistic and achievable.

These are resolved by the Democratic Services manager and/or at Management Team.

The authority in adopting its targets and indicators tried to establish a system which was meaningful and simple to clarify. Therefore no multiple objectives were used.

**Primary objective is identified**  
**Principally by keeping things simple**  
**With difficulty**  
**Business plans is where they are sorted out**  
**Not yet been a problem but no formal means of resolve**  
**With reference to Council Strategy**  
**Statement of Objectives precludes such difficulties**  
**Too early to say**  
**Resolved by Policy and Resources Committee**  
**PR fits into corporate planning process so conflicts do not arise**  
**Achievable targets are agreed at the start of the year**  
**Corporate planning process identifies priorities**

In general,, since the Council Strategy sets out the council's objectives, conflicting objectives are minimised. Since each Forward Business Plan is approved by Committee, multiple and conflicting objectives are dealt with in the committee approval process.

Each department/chief officer is responsible for reconciling any conflicts in conjunction with the members of the relevant committees.

Too soon to say but it will certainly help identify them and thereby demand a questioning resolution of the situation.

**Too early to tell - 3**  
**With difficulty**  
**Resolved within departments, not been a problem in a wider context**  
**Not been a problem**

Multiple objectives are not problematic, any more than separate ones would be. Conflicting objectives should they occur, would be subject to member assessment and prioritisation.

Difficulties are normally reconciled through either the Service Plan Co-ordinating Committee, Action Plan or through other initiatives.

By initially working through all service profiles within a corporate group to flush out and reconcile where possible, the areas of conflict.

Via Chief Officers Group - 2  
With difficulty  
Resolved at the centre eg by the Policy Unit  
By concentrating on Council's Priorities and Strategic Objectives  
No procedure established yet  
Overview from Policy and Resources  
Uneasily  
Priorities agreed by Committees  
Our review system looks at areas ad hoc so not a problem  
System is kept simple so not been a problem  
Strategic Guidance Committee acts as arbiter

At the political level, it will operate through discussion and compromise. At officer level, through attempting to clarify what service users want from the service.

There are no conflicting objectives - these are ironed out in the stages leading to the adoption of the Policy Plan. Multiple objectives have multiple performance criteria.

Only an academic could phrase a question like this !  
Not yet been a particular problem - 2  
Strategic/corporate direction is provided by corporate strategy and planning group  
It does  
Through corporate co-ordination  
It doesn't and this is an emerging problem  
Members have to decide which of the conflicting objectives has a higher priority  
Not very well  
Priorities have to be agreed by Policy Committee  
Surprisingly, this has not yet been a problem  
By limiting attention to a small number of objectives  
Documentation (NM12244A)

Monitoring keeps managers and committees informed so that priorities can be determined.

No problem to date  
We try to eliminate them  
By trying to understand them  
Co-ordination in management board before discussion by members  
By compromising  
Not a problem with our system



**APPENDIX 6.17: WHAT PROVISION IS MADE FOR MONITORING AND APPRAISING TASKS NOT INCORPORATED INTO THE PERFORMANCE REVIEW SYSTEM?**

**London Boroughs**

Other reviews - 2

Via appraisal

Committee reports

Investigations

Via, chief officers appraisal, other appraisal processes; the PR system operates primarily at the strategic level of whole services.

Annual Business Plans for Business Unit Centres.

In future, all officers tasks should be encompassed in performance contracts and all service /corporate tasks in business plans/service strategies.

By the use of staff appraisals and departmental working plans.

Service Level Agreements, policy reviews and key objectives.

Identified as part of the analysis in the quarterly monitoring reports of business plans.

**Scottish Regions**

Additional reviews

SLAs Audit

**Scottish Districts**

Ad hoc basis

Nothing formal

Project monitoring

Departmental reviews

Additional reviews

**Welsh Counties**

Chairman's Review

Service Plans

**Welsh Districts**

Monthly budget monitoring reports and regular reports to Service Committees.

**County Councils**

Budget and process monitoring

Key tasks and staff appraisal

Internal and external reviews undertaken

Ad hoc

Through appraisal process and ad hoc reviews

Internal/external audits

Within departments

Ad hoc corporate review teams

Quarterly reports will include any unforeseen developments

Other reviews

The County Council Departments are continually reviewing and revising their services in the light of changes in needs, legislation and to meet targets. DSOs have their own statutory targets to meet and review their progress towards meeting these. The County Treasurer continuously monitors the financial performance of Departments and the County.

Through normal officer and Committee level monitoring and assessment of tasks required during the year.

Through specific reviews undertaken by the Audit Panel - the Council's Value for Money Councillor Working Party.

By a range of statutory and similar plans for all departments.

Performance appraisal, general departmental monitoring and supervisory procedures.

Organisation and system reviews through management services; value for money reviews through internal/external auditors; the use of management consultants as appropriate.

Performance measurement and monitoring is only part of performance review. A small group of senior members and officers consider and stimulate the review of any activity. Internal audit carries out wide-ranging reviews as do individual chief officers.

### **Metropolitan Districts**

Performance appraisal  
Service Reviews

### **Non-Metropolitan Districts**

On-going everyday management processes and disciplines  
Quality checks built into various specifications  
Appraisal covers both completion of targets and overall job performance  
Part of daily departmental management  
Corporate monitoring database

The relevant committees can request specific reports covering areas of concern with the agreement of the Policy Committee.

Through the performance management/appraisal system  
Through the mid-year review of business plans  
Through day-to-day management process  
Members can raise at appraisal interview  
Part of appraisal system  
Job descriptions  
Performance Appraisal System  
Much routine performance monitoring is carried out  
Committee reports and ad hoc measures

Within individual departments - only the more important objectives are monitored within the formal council monitoring system.

Corporate management by chief executive  
By reference to Performance Review Sub-Committee

Internal audit  
Via overall performance

**Basic management responsibility**  
**A separate set of performance indicators**  
**Dealt with through existing management supervision**  
**Normal Committee monitoring process**  
**Performance appraisal and project management**  
**More detailed reviews carried out by some departments**  
**Through line managers regular responsibilities**  
**Responsibility of service managers**  
**Ad hoc management reviews**  
**Regular reporting**  
**Annual service reports**  
**Exceptional reporting to committee and performance appraisal**  
**Performance appraisal**  
**Monitoring them specifically**  
**Staff appraisal**  
**Departmental reporting system**  
**Individual service managers**  
**VFM studies**  
**Appraisal of staff and monitoring achievements of key tasks**

**Different services have their own ad hoc/informal measures for tasks which, whilst important to a section and its work programme would not be sufficiently high profile to be formally included in the corporate system.**

**APPENDIX 6.18: MAJOR CHANGES MADE TO PERFORMANCE REVIEW SYSTEMS SINCE THEIR INTRODUCTION?**

**London Boroughs**

The incorporation of the Audit Commissions requirements for statutory indicators; the requirement for customer service standards linked with the Citizen's Charter.

It is currently under review to make it more strategic and less operationally focused.

Further coverage of services; more definitions to aid data comparability; spotlights on areas of special interest to management board; neighbourhood performance review sub-committee where the general public can take a greater interest.

Since 1990, annual reports contain performance indicators, and key objectives are linked to targets and measures.

**Scottish Regions**

Continuous development

**Scottish Districts**

Evolved

**Welsh Counties**

Emphasis shifted to total quality management

**Welsh Districts**

Extended to all committees

Revamped

No longer operated

Performance measures have been adopted to take account of the Audit Commissions **Quality Exchange** initiatives.

**County Councils**

The new system excludes a position statement exercise. Some output measures have been retained from the old system which was really too detailed to operate.

All members of the County Council are invited to suggest new key tasks; and responsibility for monitoring key tasks is now being differentiated between main committees and sub-committees.

In the years following 1974, the Performance Review Sub-Committee reviewed overall policies, the use of resources and carried out ad-hoc reviews. A system of setting Policy Aims and Objectives and Annual Targets was introduced in 1987 and has been refined and improved since.

There is an annual review by Policy and Resources Committee leading to developments/change. These have included the introduction of quality measures, measures related to the delivery of specific service improvements funded from extra resources and the building into the budget planning process.

## **Metropolitan Districts** Completely overhauled

Linking the performance review process more clearly with the Policy Planning Process through including provision for service prioritisation, addressing strategic priorities. Moves to make PIs more clearly related to service provision.

## **Non-Metropolitan Districts**

Performance measures are constantly being updated to keep them relevant  
Simplified the procedure  
Performance indicators substantially updated  
Concentrated on fewer but better measures  
Change in formula for calculating PRP bonus  
Reduction in number of key tasks focused on  
Continuous development

Currently the corporate performance management team undertaken in depth review of 3 complete departments and their functions each year and advise not only on efficiency etc. but also whether the service should be privatised.

When first introduced, there was no standard authority-wide process, which led to varying practices between committees and departments. A standard practice manual was then introduced, supported by officer training and a seminar with members. The process is currently under review after around 18 months in operation.

Corporate format for ASPs (?)  
Continuously developed in the light of experience  
Developing effectiveness indicators and quality statements  
Introduction of core values  
The introduction of trading accounts  
Development of service plans and performance indicators  
Evolved to accord with Audit Commission advice  
Much more integrated and systematic now  
Constantly evolving

Originally the system applied to a small number of services, for whom it was easier to apply quantitative measures. The aim now is to have more qualitative measures and cover all services and council activities internal and external.

**APPENDIX 6.19: CHANGES IN CORPORATE VALUES AND/OR CULTURAL ASSOCIATED WITH THE PERFORMANCE REVIEW SYSTEM ?**

**London Boroughs**

**Consumer-orientated**

The whole process is part of a major change here in values, culture and approach.

We are now more customer-orientated.

The introduction of PR was consciously and explicitly associated with efforts to change the culture of the organisation towards performance/customer orientation.

Publication of Council's "core values" and "customer contracts"; work developing on publishing "customer service standards" for all front line services; and the introduction of performance management for top managers.

The authority is undergoing major restructuring and is reviewing all aspects of service delivery with the aim of becoming more customer-orientated. The introduction of a PR system is considered a part of this review.

Integral part of fundamental change being brought about through extensive change Management Programme.

More emphasis on customer care, equality and the environment.

It has directly led to a revaluation of policies and objectives. This has in turn led to better definition of corporate values, management standards and disciplines, service standards, client/ customer orientation and service guarantees.

Complete new culture has been introduced; the intention is "Quality".

Council has preceded the use of PR by : A Statement of Core Values (1991); Sutton Community Charter (1990); and Strategic Priorities established (1991).

More customer-orientated; the introduction of quality measures; responsiveness to the recession; and the enabling culture.

**Scottish Regions**

Although it is still too early to isolate specific changes, there is a growing awareness of a greater customer orientation and I expect this to continue to develop. The council has been developed in a senior management development course for some 2 to 3 years now and we are about to introduce a comments and complaints process both corporately and council-wide. More team briefings now take place.

Accountable/developed management; a clearer client/provider relationship; and more customer orientation in services.

**Scottish Districts**

**Customer-orientated**

Customer consultation

Customer satisfaction

Closer to the customer

Quality of life focus

Probing questions asked

The review approach is all about quality improvement and getting closer to the customer.

The system relates to the Accounts commission proposals and to our Internal Quality Initiative.

Commitment to quality enhanced and there is an increased awareness of the "customer."

The Councils policy is to provide relevant cost-effective, customer-driven services.

### **Welsh Counties** Quality-orientated

The introduction of PR is a component of a package of measures designed to facilitate cultural change in the authority. These include enhancing the strategic and policy-making role of members, improved member and technical support, development of the County Strategy, officer/member working groups, customer-orientation and improved local accountability.

The introduction of PR is associated with a fundamental review of the authority's management style taking place and a more performance-orientated culture emerging.

### **Welsh Districts** More customer-orientated More customer focused Too early to say

### **County Councils** Focus on client needs Fully integrated council now A reappraisal of the role of the centre See attached documentation (Hertfordshire) QUEST Programme

The chief executive has set up a number of teams to consider corporate issues including devolution, charging for central services, customer care and the Citizens Charter and reacting to the enormous changes required by legislation and capping.

A strategic review of management structure and style.

Greater accountability and more emphasis in management responsibility, evaluation and delegation.

The development of corporate values and commitment to quality and customer service is fundamental to the introduction of PM. The majority of departments have a developed and agreed values statement and are making headway in behaving in line with it.

We are now more-open and more public relations conscious.

Generally more structured approach to management and there has been the creation of internal market.

Fundamental element of each exercise in Customer Survey's overall approach is review of policy but not imposition of proposals for change which was associated with previous expenditure review process.

More customer-orientated; created of management units split between client and service provider; devolving authority and resources as far as possible to the front line.

While only to a limited extent, as the organisation has always been concerned with performance, the introduction of performance measurement (or rather its formal review) has co-incided with a period of growth in expenditure and a desire to ensure that the investment produces results in terms of quality and quantity of service.

A more general performance management culture and more focus on customers.

### **Metropolitan Districts**

Empowerment

Customer care

Customer-orientation

Various

Council has evolved clear customer care policies such as a "quality" culture - listening to customers, more questioning/awareness of what services are about. The introduction of a performance review system involves and requires major changes in values/culture, to one of putting the customer first.

### **Non-Metropolitan Districts**

Emphasis on customer satisfaction and measurable service standards

Customer-orientation and Statement of Values have become more explicit

Entirely new management system

Now greater awareness within the organisation of strategic aims of the Council and how individual services contribute to these.

As a direct result of a corporate review which identified the need for change due to legislative changes, compulsory competitive tendering, customer awareness and the desire to move to fully corporate organisation.

The authority is now very much customer-orientated and performance results driven.

Clear articulation of mission and values based on customers, performance, excellence of management.

Major cultural changes taking place at all levels

More customer-orientated and less bureaucratic

Increased customer-orientation and emphasis on quality and efficiency

Customer care and higher profile of council in the community

Targets for Directors

Intention is to improve the quality of services offered

Emphasis on corporate management

More customer-orientated and business-like

The process has caused cultural priorities and values to emerge as well as performance review goals that is, the way in which the goals are to be achieved has been put into context.

All part of a move towards change in management culture and this year linked to our Customer Care Initiative.

Culture change due to CCT, now a more customer-orientated local authority.



Customer issues are developing separately and in parallel. The present climate is more responsible for this than the introduction of performance review.

The new performance management system is an integral part of the new management system. Council activities now more fully integrated.

Quite a lot of work has been done on Customer Care in parallel with performance review work and the two have been directly linked. Some work has been done on corporate values but this has not been completed.

More customer-orientated  
Core values defined  
Management Competitiveness  
More management-orientated

Business Plan Statement on Values, increased participation moved in the process, establishment of an Information Strategy Group (officers), and a major item from the Business Plan Panel (members).

Not directly. Cultural changes taking place in local government generally acted as a motivator. After years of being a hung council, we have now got a majority leadership which has tended to allow the organisation to better develop a sense of direction and develop as a corporate entity.

Changed from finance-led to policy-led  
Increased concern about customer satisfaction  
Complete re-organisation establishing business units  
Council now more people-orientated, process-driven and user-friendly  
All staff are reviewing their service responsibilities  
Complete Customer Care Initiative  
Move from serving the organisation to serving the customer  
New Management Style  
Now strategically-orientated  
Customer care policy, business planning and cost centre management

Associated with : a move towards a more corporate approach; greater emphasis on value for money in services and increased effectiveness; a greater emphasis on delivering what the customer wants, in the way it is wanted.

The cultural change has been effected by a number of issues all placed under the Performance Management (TQM) banner, ie performance review, quality assurance, and service level agreements.

More customer/client orientated  
Highly regarded by residents  
System is integral element of the authority's development strategy  
Progress towards quality management and customer service  
Now operating a "needs-led" approach to forward planning  
Internal business unit culture  
System is open to public scrutiny  
New corporate approach to the provision of services  
Establishment of quality assurance and customer care groups  
We now have core values and are very customer focused  
Statement of corporate values adopted by council and staff  
Customer focus

An acceptance that customers attitudes and opinions have to be examined to specify services and service levels. Recognition of a general need to develop a more

**commercial management approach.**

**Early stages but developing greater customer focus. Targets to be published in council newspapers.**

**Better corporate planning  
Customer-orientated**

**New management structures based on business units which must be customer and quality orientated to service.**

**The system itself has been a means of changing culture by the establishment of targets and tasks which mirror a more modern culture.**

**APPENDIX 6.20: WHAT DO YOU SEE AS THE MOST SIGNIFICANT FUTURE DEVELOPMENT RESULTING FROM THE OPERATION OF THIS SYSTEM ?**

**London Boroughs**

Focus on results

Focus on quality

A clear understanding of the activity level outputs and outcomes from the expenditure of resources makes member decision-taking more coherent and informed.

The development of indicators particularly effectiveness indicators and the setting of targets.

The extension of targeting to all major services; the development of measures of consumer satisfaction within service targets.

The development of an integrated strategic planning and review process across the council; and the development of a performance culture.

Improved performance arising from the clarification of the roles of all employees, with due regard to the Councils Corporate and Departmental Objectives.

Direction; concerted effort, awareness of whether organisations objectives are being delivered; and better service.

Greater clarity of purpose and direction; improved corporate working; and the provision of benchmarks to measure progress in key areas.

A more systematic basis for resource allocation; and the provision of better measuring tools for managers.

A continuous process of re-evaluating core values, standards and performance.

Need to change the basis of the system rather than abandon it altogether.

More customer-orientated; and devolved service planning.

A better corporate approach to the management of the council and a better understanding of the Committee and Council objectives by staff and the community.

Extending coverage to other services; guidance so that service managers can more readily interpret the results; improved presentation of reports to members.

Development of the measurement of outcomes and the stressing of an outcome-orientated culture.

Making it central to the work of the organisation and developing into a year round process and not an Annual Committee report.

**Scottish Regions**

Increased customer-orientation and the establishment of a corporate culture which questions and evaluates what we are doing.

The enhancement of accountable/ devolved management; a clearer client/provider relationship; and more customer orientation in services.

The approval of targets by Council and a more realistic appreciation that resource decisions must follow targets. Direct target setting at the time of Revenue Estimates approval.

### **Scottish Districts**

Constant product improvement; radical overhaul of our training & development so that we invest in our people; empowerment at all levels.

Clearer policy objective setting by members leading to a better concentration of effort on known priorities.

Our system will be related to Accounts Commission proposals on an external level. Internally, for each specified activity we intend to develop quality targets to enable us to assess our performance.

Bringing people and departments together.

Improved quality and more efficient targeting of resources.

The most significant future development is likely to be the increasing extent to which members are aware of the work carried out by the authority at grass roots level.

Provision of management information to assist decision-making related to Council objectives.

The possible attainment of BS5750; greater public appreciation of the Council's objectives and its level of services which is currently often just taken for granted; the ability to withstand further Government CCT for other services.

The identification of a managerial and political consensus around a common purpose.

Improved quality and more efficient targeting of resources.

The Community should identify more closely with the services provided by the council which they will hopefully want and value; elected members assessing the value of individual services against their vision of "the quality of life" in West Lothian.

### **Welsh Counties**

Continuous developments

PR is a key component in a strategic change package which should facilitate the acceptance and enthusiastic implementation of performance management as a process, owned by the departments, and leading to greater sense of purpose, direction and accountability.

### **Welsh Districts**

Greater focus on those issues which are believed to be "important"; highlighting of need to provide the right services in the right way.

The discipline of regular reviews and the gradual realisation by members that they have a role which goes beyond case work.

Performance management is seen as a means of developing a management style which provides the right balance between public accountability and commercial success.

Maintaining a close watch on performance, effectiveness and value for money.

### **County Councils**

Commitment of all staff to objective

Transfer of funds from one department to another to meet changing needs; and multi-year planning.

Continued ability of members to concentrate on the achievement of major operational tasks and to change policy priorities from year to year.

Continued use and development of the performance culture.

A refinement of the level of detail used to set targets and the identification of more outcome measures.

Through the development of people in an environment where they feel that they are trusted, the release of ideas and talent can be used to the benefit of DCC. This in turn, of course, improves quality and customer service.

The clearer statement of objectives and PR measures at the operational level.

Greater clarity of policy setting and a greater understanding of performance against those policies.

More calibrated measures of personal performance.

It is a mechanism for leading members to check whether individual policies are sound and this will continue.

Client committees focusing on policies, achievement, relevance of activity undertaken rather than the efficiency of delivery.

Closer links with the budgetary process and developments arising from the implementation of proposals in the Citizens' Charter.

The authority's objectives will be supported by output driven performance indicators.

See the details of the QUEST programme : Better Quality , Effectiveness on Services.

A clearer strategy for services provided and a better responsiveness to the changing needs of Surrey.

Permeating the system throughout the authority; cascading down from councils main objectives, targets and performance indicators down to junior managements objectives, targets and performance indicators and vice-versa.

The clearer definition of the key factors, goals, targets etc. which contribute to the achievement of overall aims.

An acceptance by officers that performance can be assessed with a view to improving it.

### **Metropolitan Districts**

Full implementation

Reallocation of priorities and resources

Too early to say

A fundamental reconsideration of why we do certain things and how they are linked to what local people really need.

The service planning and target setting process has created the need for a more systematic approach to developing corporate priorities and plans.

Ability to plan service delivery in the light of agreed priorities, and able to measure the effect of those priorities.

The ability to ensure that staff at all levels know where they fit into the organisation and how they are expected to contribute to corporate and departmental goals - achieved by setting performance targets (to be reviewed on a regular basis) to all members of staff.

### **Non-Metropolitan Districts**

A more informal understanding of the extent to which the Councils strategic goals are achieved/achievable.

Greater member awareness as to strategic levels and quality and to the best use of resources.

Definition of direction; awareness of officers and members of priorities; better communication; identifiable and measurable outcomes.

Clearer objectives for councillors; better recognition of good employee performance.

Strategic planning over 3-5 year rolling period.

Performance targets to become more output/outcome orientated.

The most significant development from our system must be the ability to establish accurately whether departments are providing the service which the members require them to.

More effective human resource management.

The issue of resourcing will need to be tackled.

Clearer targeting of resources

Feeding into the Citizen's Charter/Customer Care Projects; improved member/officer communications.

Accountability, efficiency and customer responsiveness

### **Performance Management and Quality Service**

I think that the move towards defining the "client" expectations will subsume performance review and the process will become part of an automatic monitoring process inherent in the client/contractor split approach to service delivery.

Better budget planning, more information available to members, officers and the public.

The scheme depends on managers taking an active role in reviewing the performance of the services for which they are accountable and on members being satisfied as to the services being what the chargepayers need. I think that it will increase the managers sense of where the buck stops and the members knowledge of service levels, hence

their responsibility to the customers.

Re-organisation of departments as necessary.

The ability to have structured reviews of policy and procedures.

Audit Commission have now published proposals for performance review recording by local authorities - we shall be auditing our system to suit these requirements.

Nothing significant other than the gradual development of existing processes and procedures, which will tighten up budgetary control and focus effort.

Clearer understanding of members wishes and an earlier indication if members are not happy with performance/

Development of appraisal system to 2nd, 3rd and 4th tier officers

The integration of performance review with other corporate management processes and goals is still being developed. Performance Review is seen as part of a developing total quality approach to management and links are being constructed with other initiatives such as customer care, performance appraisal, business planning.

Should improve the service to the public and identify ways of providing a quality service.

Ability to cope with uncertain financial and political climate.

Greater acceptance of the value of reviewing what is happening and seeking improvements. Ideally, members should use the system to guide them in future policies - but political expediency usually takes precedence.

Better allocation of resources; clearer acknowledgement of priorities; clearer individually defined accountabilities.

Too early to answer

Becoming a well-managed authority and quantitative indicators of performance being developed for all services.

Better services being provided from the public point of view.

Hopefully, competitive framework with a good sense of purpose offering improved and focused service delivery.

Integration of systems, better "control" over the very diverse range of Local Government Services, enables better delegation without abdication of responsibility, and framework for setting targets, linked to resources and choices of priorities.

Corporate/Business Planning Process.

More effective service provision which ensures that the public receive quality services in the most efficient manner. It is being developed with an eye on the Citizens Charter.

Full integration of initiatives  
Internal Trading Accounts

Improved performance, more corporate approach to service delivery and clearer responsibility.

A concentration on what local authorities are in business for, will lead to a general improvement to service delivery to consumers.

Increased concern with the quality of services; responsiveness to customers; and being assured that the service required is what the customer wants.

More focused planning and goal setting. More achievement driven officers.

A better identification of priorities across the authority, a better use of resources across the authority, more focused services, delivered more effectively and efficiently.

A more organised authority more readily able to respond to customer needs and adaptability to change.

Greater member concentration on core service standards rather than operational decisions and new developments at the margin.

Clear District Service Plan negotiated with consumer; Standards and means of measuring performance agreed at all levels.

Better communication up and down; better man management; identification of training needs over all departments; and closer cooperation between departments.

Clearer aims for both the council corporately and for the individuals within it and increasing responsiveness to customer requirements.

A sense that all members of the authority (elected members and officers) know what their aims and purposes involve ie. the cultural shift from carrying out a task to doing a good and conscientious job. Improved management information and the ability to demonstrate good service delivery and quality.

The increase in efficient use of resources (both manpower and financial) resulting from performance review means that we can set targets for developing/introducing new services and meet them.

Performance league tables and quality management

Greater emphasis on outputs rather than inputs

Integration with Performance Appraisal system

Balanced improvements across our delivery of services

A significant move towards a business management culture. The customer will have a general input when services and service levels are determined.

Improvements of targets and performance for customers, members and managers.

The customer/client view is taken on board and our need to satisfy not only ourselves but our clients that we are providing the best possible service at the least cost whilst preserving the high quality.

Introduction of performance centres as part of management structure which will be able to withstand the rigorous competition.

As an integral part of the authority's overall development strategy, the performance review system will contribute to continuous change within the authority so that it is capable of meeting fresh challenges from the community and central government.



The ability to judge where policy and performance is effective and efficient and to be able to identify weak areas. To have the information to decide what action should be taken. To improve priority setting. Improvement to policy implementation. Managers will have the information to control the work of their service so that it meets objectives.

The system will continue to tighten up management and performance resulting in greater efficiency, economy and effectiveness.

Success will tend to deflect criticism. Council will feel secure that areas of operation have been subject to member scrutiny to a degree of detail not previously achieved.

The system should enable the authority to easily comply with the proposal to give the Audit Commission power to set performance indicators which all local authority's will be required to publish.

Corporate marketing and focus on customer choice within the statutory requirements.

Staff know what they have to do. Creates the team approach and better links with managers and staff. Staff trained to do the job.

#### **Incorporation of Total Quality Management**

Much improved internal and external communications; focus on performance in general; awareness of councils strategic objectives and policies; and efficient use of all resources

Alignment of council activities with members desires and consumers needs/demands.

To satisfy various criteria, principally those set out by the Audit Commission

The system once fully developed will ensure the Council is clear on its objectives and the standards of work required to achieve those across the complete range of services. The system also prepares the Council fully for service level agreements and the extension of compulsory competitive tendering into white collar services.

More quality indicators needed; more joint ownership of content by both members and officers.

## Appendices for Chapter 7

**APPENDIX 7.1: WHAT ROLE DOES THE MAJORITY GROUP PLAY IN THE PERFORMANCE REVIEW PROCESS?**

**London Boroughs**

A full role

Overall supervision

Dominate committees

None

Until recently, majority group members of each committee have met each cycle as the Performance Review Lead Members Group.

Executive of majority group meets on a fortnightly basis with senior officers to monitor/review key performance indicators. The majority group is involved in the selection of indicators annually.

The Committee chairs actively set targets and monitor progress towards them.

Will determine in Committee the standards to be required.

Chair of Policy oversees the PR process; Chair and Vice-chairs of Service Committees present relevant information on their departments to the Chair of Policy.

The review of chief officers by all relevant chairs.

The process is still in its infancy. At present, all members of the Council receive information each month.

Chairs and Leader and/or Deputy Leader take a part in the review of departmental direction.

The Performance Review Committee regularly receives reports on selected service areas regarding performance across the Borough. Standing Neighbourhood Committees (or their Sub-Committees receive reports as requested, comparing performance in that neighbourhood with results achieved elsewhere so that neighbourhoods can learn from each other.

Chairmen play a key role in developing priorities and reviewing performance through regular meetings with Chief Officers and Chairmen's Group.

**Scottish Regions**

The officers report to myself (Convenor) and the Chair of Finance as joint Chairs of the Budget Monitoring Committee. I as Chair of Policy and Resources am responsible for TQM.

**Scottish Districts**

Through PR Committee

Observer

Democratic supervision

Quarterly review at committees

Decide areas for review

Senior member consultation

Set objectives/monitor progress

Appraisal through Policy Committee

Control review through Committee

Information relating to performance against targets is fed into annual departmental service development plans and used as part of the decision-making process to determine the allocation of funding in committee.

The majority group sets objectives and agrees targets and performance standards for services in consultation with the Chief Executive and his management team.

We have a Policy Working Group which consists of all Convenors of Committees and the Management Team of Directors. The PR process is initiated through this structure.

### **Welsh Counties**

The review is conducted by Committee Chairmen at working groups of members and officers specifically commissioned for this process.

Political groups have no explicit role. Group leaders are members of the core group which is responsible for monitoring and reviewing strategic objectives.

### **Welsh Districts**

Through Committee Chairs  
Supportive  
Proportional  
Oversee process

### **County Councils**

Chair committees - 2  
Committee oversees  
PR Panels - 2  
Via Review Committee  
Chair PR  
Monitoring  
Committee

Party groups do not play any role in the process as it is at Panel, sub-committee and main committee level that members get involved in setting and monitoring performance, for example through the Annual Key Tasks system.

Chairs and vice-chairs take part in monthly review meetings, the outcome is recorded to monthly delegation sub-committees and every other main committee. At the moment, the process is not running in all committees and awaiting re-introduction following the commencement of a council wide planning process.

We decide principles/ objectives with officers.

Selection of the Programme for the year. Chairing of the Quality Service Sub-Committee with emphasis on back bencher membership.

There is not a total PR across the Council. We have designated "quasi commercial organisations" for particular work areas (not confined to those subject to compulsory competitive tendering). These are cost centres with their own objectives and business plans. An important part of the process is that a small QCO Board chaired by a senior Labour councillor monitors the progress of these units, which have to report on progress against agreed objectives at six monthly intervals and produce an annual report accounting for their performance. The QCO Board consists of four members, one of whom is Conservative.

### **Metropolitan Districts**

Committee

Receives reports

Committee process

Monitoring through committee

Regular briefing of the Chair of the Performance Review and Financial Monitoring Sub-Committee by officers. Member-led working groups on specific topics.

The PR process is now embodied into the work of Committees of the City Council, in particular the Management Services Committee which plays a leading role. The majority group, through holding the Chairmanship of various Committees, therefore has an important role in ensuring that the process succeeds.

Instrumental in influencing service performance measures and their review.

Setting objectives and monitoring results.

Members review performance through committee reports, reports to Labour Group and so on. Committee chairs are particularly active in reviewing performance.

### **Non-Metropolitan Districts**

Supports officers

Assesses performance of chief executive

Controls Sub-Committee

Committee process

PR Panels

Committee

Controls annual review

Minimal - chair committees

Consultation

Supportive

Considers reports

Regular review meetings

All members have equal representation

Committee process

Sets standards and targets

Committee process

Corporate plan input

Committee process

Setting PR % salary

Oversee development

P & R Committee

Initiate areas of concern

Part of appraisal panel

Driving force

Working party

Sets agenda

Controls agenda and timetable

Performance Review Sub-Committee

Controls Committee

Chairs and controls committees

None specifically

Sets priorities

Initiates agenda

Member of panels

Receives reports

Initiates enquiry and investigation.  
Involvement in PRP  
Monitoring  
Set service objectives  
Very little  
Approve targets and objectives  
Monitors reports to PR Sub-Committee  
PR Sub-Committee Chair  
None  
Appraisal panels and sub-committees  
Director assessment  
Monitoring of process  
Involved

Have the major input together with chief officers to the policy planning process and agreeing the principle corporate and departmental objectives. Progress is regularly reported to all members. The majority group controls priorities.

Corporate review working party (including officers) and performance review sub-committees.

The majority group sets direction, identifies objectives and decides on action resulting from review.

Consideration of performance results at committee level and appraisal of chief officers performance.

Directs PR Committees activities to certain areas of council activities.

Have a major role in setting policy since they have the majority on each committee. Committee chairmen have responsibility for delivering policy and monitoring objectives.

First-tier chairs discuss at top level, agree targets with supervising and supervised managers.

Each committee will have its own performance review sub-committee which will set objectives and measure actual performance against these. Chairmen and vice-chairmen, both from the majority group, will lead the process.

The majority group support performance review to such an extent that it has been upgraded to a major committee with an increased number of committee members.

Each committee has prime responsibility for performance review. Policy is coordinated via the Labour Party and the Monitoring Working Party.

Decides areas for review. Through Committee structure, receives/approves performance review reports.

Introduced a service delivery working group in May '91. Now has evolved so that performance review is an integral part of the councils operation from policy working through to the service delivery.

Identification of in-depth projects for review; sets down broad overall political objectives on which policy and performance review system is based.

Led all party seminars to identify mission statements and performance indicators.

Service plans for forthcoming year are closely examined by members as part of process of preparing budgets; service plans are submitted to Service Committees; it is intended that regular reports on performance will also be submitted to Committee.

Approving/reviewing service strategies/action plans in Committee; discussing issues with chief officers.

Receiving and approving regular reports to Committee on PR.

Sets targets in combination with officers involved. Performance reviewed against targets by committees.

Cooperation and working together with officers at sub-committee level.

Sub-committees require six monthly performance review reports and supporting text to explain any changes in performance over time. In the light of these reports, it can insist on further investigation and/or remedial action.

Council is hung, Labour has chairs with Lib/Dem support. The Labour Group uses it as an instrument to improve committees and departments performances.

All group leaders discuss progress of each review with the chief executive prior to release to committee for approval.

PR is the responsibility of each service committee with strategic guidance and performance committee taking overall view. In addition, the Conservative Group reviews the performance of committees (in group meetings)

Items for performance review are nominated from both the committee process and by the Labour Group.

Monitoring through normal committee reporting and agreeing actions as appropriate.

None as yet on performance measurement. Our performance review and forward planning system involves members of the majority group.

Approval of objectives and key performance indicators; frequency for measuring and reporting to members and targets are all set by the appropriate council committee.

Majority membership of programme committees, approving indicators, targets etc.

Sets the Councils Strategy and Service Objectives of the main committees; approves service plans for all main functions prepared by officers; and monitors performance five times a year.

Close scrutiny of reported performance; directs any corrective action necessary.

Monitors performance with regular committee reports and special review work groups.

None. Leader and Policy Chairmen and other group leaders, appraise the chief executive. Chairmen of committees are consulted on appraisal of chief officers.

**APPENDIX 7.2: WHAT ROLE DOES THE MINORITY GROUP PLAY IN THE PERFORMANCE REVIEW PROCESS ?**

**London Boroughs**

A full role

Minimal

Opposition

Committee process - 3

None - 4

Minority group members can comment on monitoring reports at Committee.

The process is still in its infancy. At present, all members of the Council receive information each month.

Labour is represented on the Borough wide Performance Review Committee and on Neighbourhood Committees. It forms the majority on two of the seven Neighbourhood Committees.

Opportunity to share recommendations at Committee.

**Scottish Regions**

Generally supportive

**Scottish Districts**

None - 3

PR Committee representation

Observer

Minor role

Part of Review Committee

Through the Committee process

Via committee reporting

Inputs to policy and resources

Very little

As members of the Council Committees they receive regular reports on performance and may refer comments to the chief executive or heads of departments. they were not involved in setting up the process.

**Welsh Counties**

The minority groups contribute to the assessment of PR at Committee.

Political groups have no explicit role. Group leaders are members of the core group which is responsible for monitoring and reviewing strategic objectives.

**Welsh Districts**

Committee process - 3

Support



**County Councils**

Committees oversee  
Influence topics for review  
PR Panels - 2  
Committee level  
Via PR Boards  
Constructive  
On Committees - 3  
Monitoring

Party groups do not play any role in the process as it is at Panel, sub-committee and main committee level that members get involved in setting and monitoring performance, for example through the Annual Key Tasks system.

Members of the minority group are present at delegation sub-committees and main committee meetings.

We attempt to maintain a bi-partisan approach to the activities of the Sub-Committee and encourage participation by members in steering the investigations.

The minority group have representation on the QCO Boards.

**Metropolitan Districts**

Committee process - 3  
Committee - 2  
Via Committees - 2  
Equal committee representation  
Little if any

**Non-Metropolitan Districts**

None - 2  
Committees - 2  
Committee process - 2  
Very little  
Sub-Committee  
General contribution  
Quality and PR Committee  
PR Panel  
Committee input  
Progress in reporting all objectives is regularly reported to all members.  
Consultation - 2  
Supportive  
Sub-committees  
Very little  
Consider reports  
Don't know  
All members have equal representation  
Committee process  
Contribute to discussion  
Probing/questioning  
Working party participation  
Committee stage  
Mainly supportive  
None  
Committee process - 2  
None - 2

Very little  
P & R Committee  
Committee  
Part of appraisal panel  
Working party  
Keeps a watching brief  
Generally supportive  
PR Sub-Committee  
Opposition  
Reviewing Committee  
Committee process - 4  
Committee review  
Sub-committee participation  
None specifically  
Fully supportive  
Opposition at committee  
Committee participation - 2  
Generally assistive  
Member Panels  
No specific role  
It complains  
Committee monitoring  
None - 4  
Committee process - 3  
Member working parties  
Committee participation  
PR Sub-Committee  
Programme Committee participation  
Full participation in debate  
Appraisal panels and sub-committees  
Scrutiny of reports  
Director assessment  
Contribute to monitoring  
Involved  
Committee debate  
None

The minority group share responsibility - performance review is conducted in a relatively apolitical manner.

They take part in discussions of quarterly performance review reports to committee. All parties attend policy workshops which amend/review policies annually.

Able to examine objectives, performance standards and targets for each service when Service Plans are submitted to Committee.

**APPENDIX 7.3: HOW ARE THE POLITICAL OBJECTIVES OF YOUR ADMINISTRATION INCORPORATED INTO THE PERFORMANCE REVIEW SYSTEM ?**

**London Boroughs**

Annually set

Through (i) committee agreement of targets for services and (ii) each committee's Three Year Plan details strategic developments which translate into targets for services.

If ruling group policies include political objectives then yes.

Yearly review, political objectives translated into targets, objectives and performance indicators for each department and corporately.

Political objectives form the basis of the system of targets.

They will be incorporated eventually by the declaration of corporate objectives and their interpretation department by department.

Members determine the quality of service. we are a good administration who have given managers the freedom to manage both the process and the budget.

Through key tasks which reflect the political objectives of the Majority Group. The key tasks are allocated to departments to complete within a designated time scale.

The majority party has established ten tasks. The system is designed to provide information on the extent to which these are being achieved.

As targets - political objectives were turned into a "Priority Programme" for the Council.

Means for Performance Review were part of the Manifesto. A dynamic decentralised system of service delivery benefits from a performance review system to enable neighbourhoods to identify comparative strengths and weaknesses, and to assess the scope for improvement.

By identifying the high priority policy objectives for the Council. This is done through a high level seminar involving Chairmen and Chief Officers.

**Scottish Regions**

Our TQM objective as an administration is to improve conditions for our staff and services to our Region. Our monitoring and performance statistics are guides to this.

**Scottish Districts**

Through a series of working parties, political objectives are set. All activities thereafter are driven by these priorities.

The Labour group develop strategies to achieve political objectives. These are then translated into objectives and targets for implementation.

Implementation of political objectives ie Housing, Leisure, Information Technology Policies etc, which have resulted in the introduction of a change in direction and have become the subject matter for PR.

Service objectives are based on council policy.

### **Welsh Counties**

The review of performance relates to the objectives of the County Council as detailed in the County Council's Policy Budget. The Policy budget contains the overall strategy of the County council, its service block strategies, policy objectives and medium-term action programme and annual plans. Performance review enables an assessment of the progress of the medium term action programme and of the Council's overall strategy.

PR objectives are prepared within a framework of corporate objectives which form a cross-party consensus.

### **Welsh Districts**

Through committees - 2

The Committees are aware of the policies of the Labour group and use these form the basis on which to examine structure especially.

### **County Councils**

Via Action Plans

Only in the sense that key objectives for the year identified and these are related to the high priority tasks which committees (upon which the Conservative Group form the majority) identify as requiring particular attention.

By joint officer/member discussion and formal agreement of a range of policy objectives which translate into annual resource centre plans and key tasks for senior managers.

Each committee sets targets within the 12 corporate objectives set following the election of 1989.

The Statement of Policy aims and Objectives reflects the council's policy.

We are emphasising the quality of service provision and customer orientation through surveys, publicity etc.

In as far as specific priorities are included. As it is tied to the planning process the financial implications have to be taken into account.

By agreeing the objectives of each quasi commercial organisation at the planning stage - each business plan has to be approved by the QCO Board.

Integrated with Planning whose Mission and Vision Statements direct policies of each main Committee. Performance reports measured against clear objectives published in the Policy Budget each year. Each main committee reviews the performance of its own service areas. Each committee reviews one-third of its services in detail each year. Policy PAR takes an overview with meetings of chairmen and chief officers in each department.

### **Metropolitan Districts**

Via committees

Business plans

Corporate strategy does

The defined objectives and approved programme, performance indicators etc. are determined in accordance with approved policy objectives which we recommend to the Council by the ruling group.

Policy objectives form the framework within which the service objectives, work programmes and performance indicators will be formulated.

In the sense that the political objectives of the majority group guide the work of elected members in dealing with a full range of issues in regular Committee meetings.

Performance targets geared to the policy objectives of the controlling group.

There is no single system operating in this authority so this varies. However, chairs and committee members see that political objectives are met.

In ensuring that the underlying ethos is maintained throughout the review of the service.

### **Non-Metropolitan Districts**

**Customer Care Policy**

**Adopted as Council Policy**

**Specification of targets**

**Via Policy Plans**

**Value for Money**

**Objectives reflected**

**By including the political objectives in yearly targets.**

**Consultation, recommendation and implementation.**

**Workshop participation**

**Subtly**

**Towards 2000 Strategy**

**Council's Mission**

**See documentation**

**Policy Statements**

**Working party**

**Policy of group implemented**

**Via Policy Statements**

**Core priorities fully incorporated**

**Quality Audit Mentality**

**Mission Statements**

**Policy**

**Service Plans fully incorporated**

**Policies determined by members**

**Strategy and service plans**

**Appraisal requirements**

**Strategic plans**

**Monitor achievements against policy**

**By monitoring key objectives**

**Items are identified from the manifesto and decision taken in the light of objectives.**

**More responsive to local residents; general improvement in service delivery; trying to identify priorities and ensure that they remain priorities.**

**Enabling policies such as CCT, to be accelerated. To stress the importance to all departments of economy, efficiency and effectiveness.**

**The main objectives are incorporated into the TQM initiative and performance in the service areas will be measured against those objectives.**

Committee's equate the achievement of objectives when considering their Budget spend.

Manifesto objectives and targets are incorporated into individual Service Plans.

It is intended that each service will have a service delivery plan incorporating the Council's vision and political objectives with performance standards and targets for the service.

To some extent it points to more effective service delivery to the public which we represent offering efficient and cost-effective services at a time of decreasing budget provision and power.

In so far as the performance review system measures the effectiveness of policies whose objectives are set by the administration.

We ensure budget allocation and monitoring go to those priorities.

The PR system is intended to review achievement against stated objectives. The objectives are laid down by Committee/Council and accordingly incorporate the aims of the majority group.

Training of staff in responding to public; performance indicators for all departments; membership involvement in policy formulation; continuous monitoring of the system; are all relevant political objectives.

Council has adopted a statement of strategic intent based mainly on conservative group political objectives. All committee reports must relate to the SSI.

The combination of administration and financial performance review gives a powerful weapon for policy aimed at redistributing resources into areas of political priority. Both formal and informal rules have developed which govern the political aspects in this process within the majority group.

Targets on which performance review is based are agreed through committees which reflect political composition.

By discussion between the leader and the chief executive, these objectives are integrated into the key areas of achievement documents. The council also has a cabinet of committee chairmen who discuss performance review.

Through the setting of policies, objectives and targets in the corporate plan and annual service plan.

Within the councils corporate strategy, each committee aims and objectives, through a series of targeted key tasks, and in the establishment of working groups.

**APPENDIX 7.4: HOW DOES THE PERFORMANCE REVIEW SYSTEM COPE WITH CONFLICTING AND MULTIPLE OBJECTIVES ?**

**London Boroughs**

Negotiation - 2

Very well

Dealt with at full committee

Prioritisation

Too early to tell

It does

The PR system exposes conflicting objectives in a way that helps clarity; it provides a supportive approach to managing multiple objectives (case study is targeting in Right to Buy).

Resolved as part of 3-year plan on annual basis through political decisions.

By breaking down and analysing such objectives.

By separating out overall objectives from specific targets.

The majority group recognises conflicting objectives not only between departments but within departments. The majority group strives to seek a consensus on these conflicts to the benefit of the community.

The system provides the raw material for decisions and does not attempt, as a system, to cope with conflicting and multiple objectives. In such an event, members would consider the detailed figures available and make a balanced decision.

The purpose of the business plans is to resolve any conflicts and decide priorities and to balance aims with capabilities.

**Scottish Regions**

Prioritisation

With difficulty

**Scottish Districts**

Responsively

Resolved by officers

Satisfactorily

Still being addressed

By discussion

It doesn't

Too early - 2

Areas for review are deliberately limited and targets are realistic in the context of authority structure so minimising the risk of exposure to conflict.

Where corporate behaviour is effective, there should not be conflicting objectives. Our year plans point to which responsibilities belong to whom within multiple objectives.

The Corporate Management Team together with the Group Leader have regular meetings to resolve conflicts and to decide on the allocation of resources, financial or otherwise.

### **Welsh Counties**

Too early

There is a flexible attitude adopted towards objectives which recognises the multi-faceted nature of priorities. Reports on each committees performance are presented to the main co-ordinating committee (PFR) whose function includes the balancing of priorities.

### **Welsh Districts**

Not very well

No problem

Majority vote

Fairly well

### **County Councils**

By agreement

With difficulty

By constant review

Too early to judge

Chief officers sort out

Targets are prioritised

It doesn't

A balance is found

Reasonably

Primarily by ensuring that no specific annual targets are endorsed by Committees without their being budgetary provision for their achievement. This avoids the system becoming a "bidding" one and removes conflict between service committees and the resource allocation responsibilities of the Policy and Resources Committee.

There is room for improvement. It is partly addressed by each committee having certain amount of freedom to set its own priorities. The new council planning process will improve on the current process by setting annual strategic aims.

There has not really been a problem here - all groups want to see better performance and greater efficiency.

We try to make sure that there are not too many objectives in each area and they represent the Authority's overall philosophy. The Member forum is a Sub of the Policy and General Purposes Sub-Committee.

Through clarity of objectives at business plan stage.

The procedures are detailed and refined from year to year on experience. Conflicts are resolved in setting direction during the planning of priorities. "Think-tanks" are used each year (all party) to review priorities and performance. These findings are then written up to PAR Sub-Committee.

### **Metropolitan Districts**

Through understanding

Resolved at political level

Too early to judge

With difficulty

Not a problem here



By selective choice of subjects for detailed investigations.

Clarifies multiple objectives and allows a forward view on most issues.

This is a difficult question to answer because we have a number of different systems operating. However, the Labour Group discusses possible conflicting priorities and a decision is arrived at which all Labour members abide by.

### **Non-Metropolitan Districts**

By prioritising - 2

By consultation

Prioritised from Mission Statement

Avoids

Committee system

It doesn't

Satisfactorily

Not a problem

Too early to say

Base Budget Review

With difficulty

With growing difficulty as central government increases capping.

Not yet a problem - 3

It doesn't - 3

Too early to say - 2

Prioritisation

Pragmatic political decisions

Not been a problem

Evaluation of proposals

Little trouble experienced

All party support

Too early - 4

With difficulty

Adequately

Not a problem

Resolved by policy

Not yet an issue

Regular meetings

Too early to say

Objective assessment

Well

Resolved at committee

With difficulty

Via debate

Not a problem yet

Ironed out through Policy

Senior Management resolve

Too early

Prioritised

It doesn't

Prioritisation

Not yet a problem

Not been a problem

With difficulty

Not very well

Policy Review Working Party

Strategy statement

Forward plans resolved

Very well - clear objectives  
Prioritisation - 2  
With difficulty  
Not a problem

Before objectives are resolved by Committee, priorities are established and agreed by consultation between members and officers taking into consideration legislation and stated policies.

By thorough consultation from management team with committee chairmen to all councillors via policy workshops. Within departments via internal meetings and team briefings.

We are beginning a three-month programme of interviewing all senior officers with a view to looking back over performance. This is where we might meet conflicts not only with officers but with Chairmen of Committees.

Priorities are constantly reviewed in on-going corporate plan review. Unexpected happenings, for example finding funding partners can change priorities.

With the present capping limits (we are capped) the possible objectives are set during the budget cycle within our spending constraints. Controlling Group Policy (ie. Councils) is to use any "savings" on improving services.

Resolved at officer and member level during budget preparation process before Service Plans are submitted to Committee.

We ensure the objectives don't conflict. Multiple objectives are prioritised.

Members will discuss and agree objectives and prioritise accordingly.

It might highlight them, but it does not cause or solve them. Members decisions to resolve conflict can be advised by the PR system.

The corporate review manager has this difficult role of reconciliation.

Member Panels review individual topics in depth and report through Chief Officers Management Team and Chairmen Meeting to Performance Review Sub-Committee.

Efficiency of senior management in achieving an acceptable mix which is credibly the best for our district even though some compromises with national party policies may be involved.

Multiple objectives are encouraged. Conflicting objectives (eg. planning, economic development) are more difficult; in theory strategic guidance and performance committee should make a ruling.

The PIP system is based upon agreed objectives with weightings.

The system places a premium on administrative efficiency and financial justification with overall policy guidelines laid down by the Labour Group. This usually resolves conflicting objectives.

It is early days yet to answer this but corporate coordination will play a part. The move to directorates and the merging of departments has assisted this.

By limiting attention to small numbers of key objectives, potential conflict has been minimised.

**Conflicting objectives are clarified through the strategy/objectives setting process. Multiple objectives likewise with priorities being defined. The majority party's view of course, always prevails.**

## **APPENDIX 7.5: WHAT DIFFICULTIES WERE ENCOUNTERED IN OPERATING THE PERFORMANCE REVIEW SYSTEM?**

### **London Boroughs**

Reluctance of some chief officers to introduce targeting; lack of interest of some members; culture not supportive of performance measurement; continual budget reductions; and difficulty in defining sensitive performance indicators.

Defining performance indicators.

Although it is too early for major difficulties to have become apparent, staff are already suspicious about pay relationships and many members do not fully comprehend the aims.

Recognition of the financial implications under cash-limited budgets.

Need to agree objectives with Chairs has increased with the change to Labour overall control.

Getting the training done and getting the process up and running.

The Borough has a radical system of decentralisation with seven neighbourhoods each deciding its priorities, level of service and organisation. This allows the benefit of inter-neighbourhood comparisons. However, where neighbourhood organisation differs, it may be necessary to adjust raw figures collected by one neighbourhood in order to allow for like comparisons. The lack of computerised management information can limit the scope for performance review and in some areas unless a heavy burden of manual collection is used.

There is sometimes an absence of clear thinking and there have been problems with vague objectives and performance indicators.

### **Scottish Regions**

Some officers and departments doesn't like the close scrutiny.

Members and officials don't like scrutinising in-depth - it necessarily lifts the lid on all sorts of things.

### **Scottish Districts**

Officer resistance

Conflicting departmental perspectives can prove problematic to resolve. For example, Housing, Finance and Admin may have different attitudes to rent arrears.

The main difficulty was the refusal of the members to consider the policy and service development proposals for each service before the financial implications and the likelihood of being able to introduce improvements were known. This meant that to a large extent, this year anyway, the process became finance rather than policy driven and work on PR was delayed until the priorities were established.

### **Welsh Counties**

Cultural change, especially to a more business-like process has had its performance. There has been a natural resistance to change; difficulties in identifying meaningful performance indicators/measures; and the change from centralised to devolved procedures needed changes in use of staff, systems and rules/regulations.

### **Welsh Districts**

The policy objectives are not clear enough and outside situations such as CCT, local government reorganisation and the threat of capping have had a greater impact.

### **County Councils**

#### **Other pressures**

There have been no major difficulties but some members, notably "backbench" or "opposition" members feel that the system is too "top down" and this prevents individual members influencing the selection of areas to be reviewed.

Mainly that it was seen as a time-consuming add on to the work of committees when its purpose was to be a central system for making policy come alive throughout the authority.

Maintaining an integrated process in the face of various pressures particularly financial.

Changing members role in committee structure and highlighting conflict between those who are involved more with education than social services and vice-versa.

### **Metropolitan Districts**

#### **Resource/time expense**

There has been some difficulty in persuading some members and officers of the value of Performance Review which is still regarded by some with suspicion founded on ignorance of its purpose.

Those to be expected in implementing a major corporate activity in a large multi-disciplinary organisation.

### **Non-Metropolitan Districts**

Too slow  
Uncertainty  
Budget reductions  
Limited resources  
Conflict of interest  
Clarity of objectives  
Training inadequate  
Variable commitment  
CCT, unitary campaign  
Directors protecting patch  
Learning curve  
Cost  
Obstruction  
Cascading down insufficient  
Understanding purpose  
Costly

Lack of commitment by some senior officers unwilling to be accountable and failure by them to adapt to a more corporate approach to management of the authority. It is difficult to break down the barriers of the empires that have been established over the years.

Initially there was the problem that when the services were reviewed they were invariably found to be performing well. This was due to a lack of measurable objectives and in fact that chief officers were often responsible for review.

Conflicts between desirable, achievable, acceptable (staffing level, costs) in areas ie development control, poll tax and rent collection etc. and also long term established procedures that are exposed when subject to PR are not to everyone's liking.

Probably getting best method of recording. We want a system not just for the council but for the general public as well via council's quarterly magazine.

The need to convince all councillors of its necessity.

Lack of clear purpose at the outset; lack of integration with other policy/management processes; consequent low level of understanding of value of process and commitment.

Our performance review system is lacking in real drive from the members' side and the officers (I believe) use that to their advantage.

Inadequate commitment and resources; inadequate management information systems and reporting feedback processes; and lack of training.

It is always difficult to define performance and any measures or indicators can only give a broad-brush picture. Nevertheless, improvements can always be identified and we see the system as an evolving process, not a fixed one.

The Conservative group objects in principle and "leak" reports as they see fit.; one department (computer and information technology) was consistently obstructive.

It has had major implications regarding the use of officers which is currently at a premium with the pressures of poll tax and council tax - CCT and now Local Government Review.

Enlisting full member interest; some officers reluctant to commit themselves; and identifying the right things to monitor.

Those under investigation tend to be the first line of information providers. An independent performance review group is needed but cannot be initiated due to budgeting restrictions caused by central government.

Lack of commitment; defensiveness caused by a non-performance culture.

Getting each part of the process in the right sequence was an early problem; changing the culture to accept the process through training is still engaging our minds.

It was initially attached to performance related pay for chief officers. Some members were opposed to this and PRP was abandoned one and half years ago.

**APPENDIX 7.6: WHAT ARE THE MOST IMPORTANT FUTURE DEVELOPMENTS YOU WOULD LIKE TO SEE IN THE PERFORMANCE REVIEW SYSTEM ?**

**London Boroughs**

Too early

Accountability at all levels including Member Committees.

Extension of targeting to all major services; and the development of measures of consumer satisfaction within service targets.

Linking PR with business planning and the budgetary process.

Refining and fine-tuning; linking it much more to sound external data eg. the changing profile of the Boroughs population.

Public accountability ie. admitting "warts and all" in public session.

Cascade throughout the organisation to all levels.

The incorporation of our recently launched "Citizen's Charter" into every departments key tasks.

For it to continue "on-track" and to ensure the highest efficiency in the delivery of first-rate services for the people of the Borough.

Need to cascade down the organisation with a parallel appraisal system with training needs properly identified and funded.

I would like to see it being used much more systematically and extensively.

Positive feedback and more job opportunities for junior staff, especially for women and black staff.

To extend performance review to further service areas, particularly those subject to CCT legislation; to simplify data collection to make it as "painless" as possible and exclude indicators found to be less useful; to have reliable and comparable indicators of performance from other authorities/organisations.

Tighter approach to defining aims and objectives; make an honest assessment of how we are performing; more corporate approach to selecting performance indicators.

**Scottish Regions**

Proper measurement of all functions and a system produced which will create improvements in these measurements.

I would like to see a system of select committees - members focusing on performance not activity.

**Scottish Districts**

Extended further

More financial information

Emphasis on setting PIs

Extended throughout the organisation

Everybody understands and is involved

Relevance of public consultation

We are considering establishing a PR Committee with no majority group members.

The meaningful presentation of performance-related information to assist decision-making.

To continue the process towards total quality management for all services. In the longer term to consider relating pay to performance.

I would like to link it to the political objectives in the manifesto and use it for strategic and financial planning.

### **Welsh Counties**

The targeting of plans to meet Council's medium term objectives; proper assessment of resources needed to carry out activities and time required to carry out each objective; the extended use of meaningful and sensible performance indicators; and the extension of review to incorporate corporate strategies, TQM, customer-care etc.

I would like to see regular reporting to members and more systematic monitoring and reviewing of strategic goals.

### **Welsh Districts**

More use of system

We have used the PR system effectively in the past. We were most fortunate to have a former Home Office inspector as its Chairman. He was able to use the authority of this role to searchingly investigate departments. without that expertise the Committee would be floundering. It really needs the backup of an independent office unit, but we cannot afford this at present.

Each officer and committee will set its objectives.

### **County Councils**

Extended to all staff

None necessary

Monitor capital programme

Key measures defined

Devolution

Individual members being invited to suggest key tasks for consideration by Committees; and the system being refined by reducing the number of annual key tasks so that members can concentrate their attention on the most significant.

To bind in all/more members; and to move the process by agreeing Policy Objectives from April/May to January/February each year and fit PR cycle more sensibly.

Making the system more "core" within the authority, using it to implement policy aims and to review these annually, linking it to budget planning.

Recent improvements have linked the setting of strategic of targets more closely to the budget and the Statement of Policy Aims and Objectives and will ensure that targets more often have the character of performance indicator. This is being implemented in 1992.

The authority's objectives will be supported by output/outcome driven performance indicators.



I would like to see an outside moderator from another authority sit in with the panels.

We need a wider application of performance review - preferably by committees monitoring their own activities rather than one central PR Committee.

Performance review of chief executive and chief officers is the next step and meetings are now being arranged for this. Performance-related pay and local salary fixing should come after that.

### **Metropolitan Districts**

Extended throughout the organisation

Extension to all service areas

More involvement of clients

We have set up a sub-committee of members with an officer sub-group to coordinate and give greater focus to quality assurance and PR issues.

As the system is being implemented on a phased basis, future developments are the integration of PR into the decision-making process of policy, strategy and resourcing.

To be able to influence the budgetary system more freely without the current constraints on local authority spending.

To link the system with individual officers' performance.

Clearly the Citizen's Charter Performance Indicators will be leading change in PR for the next few years.

The enhancement of quality service provision.

### **Non-Metropolitan Districts**

None if current system works

Quality emphasised

Refinement of PIs

Consultation with customers

Involvement of public

Too early to say

More frequently than annually

Continuous improvement

Link to budget

Fully implemented

Taken seriously or abandoned

Resources to draft PIs and Charter

Privatise it

Full implementation

Dedicated officer to task

Better forward planning

Keep on top

Detailed performance targets

Regular evaluation of system

Too early to say

Improved accountability

None of significance

Greater involvement by members

Too early to say

Expansion

Full development  
Fairer job evaluation  
More committee interest  
Minor modifications anticipated  
Adoption of strategy document  
Tighter policy and budget link  
None currently  
Not sure yet  
Cost-effectiveness

We are being forced to examine radical changes from provider to enabler because of government capping - we do not support this but after the last election we appear to have little choice.

Further development of corporate management; to date the system has concentrated on short term planning and objectives - the development of longer term policy planning and objectives must be a priority together with development of more meaningful measures of performance.

Performance related pay; improved quality of service; better value for money.

High but achievable standards; firm management; awareness of responsibilities; and conditioning to change.

We have now developed a "Review team" involving mainly audit sections under the direction of a PR Sub committee. Increasingly targets are being set by departments which serve as indicators.

The programming for a full council term or longer, controlling capital spending, revenue implication, budget controls and standards of services achievable resulting in a balanced poll tax (council tax) being spent in the best interests of the people over all services.

We want it to be closely linked with our customer care programme so that we can monitor our services and take on broad customer comments and so continual review and compromise.

Regular reporting by exception of service levels not meeting agreed objectives.

To spend more time on short-term aims and strategies - to make sure they are achievable; to spend more time on monitoring and reviewing to get right first time rather than correcting; to focus on value for money and customer care; training and motivation to be looked at; and to anticipate change and be able to respond quickly.

Corporate objectives set by members - then leave it to officers to perform.

What we need is performance review of our performance review system - and we are now in a position where a few senior members are at long last beginning to see the importance of performance review.

Greater and closer involvement of elected members and management team to define councils core values and aims; strengthen the process by which policy objectives are defined, targets are set, resources allocated, outputs achieved and resource use monitored and the performance of one period feeding back into the process for the next; measures of quality and effectiveness (as against measures of economy and efficiency) to assume greater importance.

Full scale reviews of departments now in progress, matching of resources to tasks being probed. Intend to follow those with TQM programme when the culture is ready to accept it.

A comprehensive process incorporating : policy planning and policy review; budgetary process; performance review within a corporate strategic/business planning process; and the incorporation of survey and other qualitative information.

Better information and detail for more precise decisions.

Extension to all services; introduction of more targets and financially related ones; linking it in with the staff development programme ie. PR linked to each individual senior manager's objective (and may be ultimately pay).

More effectively relate service delivery to targets the public can understand. The system is to be linked to Total Quality Management.

Adequate staff resources because at this time of budget squeeze things like this are seen by some service providers as a luxury.

More measures of customer perception/satisfaction.

To become more and more a management tool and less an inquisition.

Quality control and policy test and evaluation.

The refining of performance indicators and targets - initially these are a little rough and ready (we are learning by experience); the extension of the performance system to individual employees pay.

A more efficient cost effective and slimmed down system of local government; an improved relationship with the populace; a faster better service for users; efficient complaints procedures; and better forward planning.

Increased use of performance information to aid policy and financial planning; increased information on public perceptions/needs/desires ie. on effectiveness of policies and actions.

Given the present state of local government, this performance review process will increasingly be called upon to indicate priorities.

Greater concern with measuring effectiveness and quality; greater interest from committees.

System which did not simply measure internal statistics ie. outturn against budget but also made measures in a league table type of monitoring against other authorities for a standard performance area. I would like the audit service to recommend best standard practice for most areas of service provision and organise their own computers to produce league tables of actual performance attained.

A more comprehensive, refined and integrated system.

Introduction of a public complaints desk; targets for response and the development of quality audit and service plans; there is a need for an independent performance review audit system reporting only to the chief executive and the performance review committee.

**Integration of performance review system into the general management process; integration of performance monitoring and operational information technology systems.**

**Getting the role of members clarified as at present members are involved in detail about service plan monitoring that we see as a management role; building members performance into the system.**

**A clearer definition of objectives and targets and closer monitoring of performance; perhaps a small group of members who would be willing to specialise in this aspect.**

**Closer integration with policy and planning stages; extension to support services.**

**Development of performance indicators for all service areas and integrating performance review into the work of all committees.**

**Cascading down through the organisation and greater understanding by members.**

**APPENDIX 7.7: WHAT FACTORS ARE INHIBITING THE INTRODUCTION OF A PERFORMANCE REVIEW SYSTEM?**

Majority group doubts  
Cost to a small authority  
Lack of motivation  
It will come soon  
Never been considered  
Extensive legislation

The Accounts Commission Citizen's Charter proposals adequately address the issue of performance measurement for this authority

The lack of trained professional staff to take on the extra work  
Now being considered  
Development of objectives  
Never been discussed  
It will be shortly  
Time/inexperience  
Too busy with CCT  
Currently being examined  
Arrival of new chief executive

We are making progress towards introducing a performance review system currently. For several years we have had a development monitoring expenditure committee. In the last year we began officer appraisals. This year we have introduced committee targets, drafted from newly drawn up policy statements and as far as possible being quantifiable. With the imminent arrival of a new chief executive, I intend discussing with him further PR initiatives as an early priority.

Satisfied with existing arrangement  
Previous failure  
Nothing - about to launch a system  
Corporate strategy incomplete  
Pressure of existing work  
Staff input since they are already overworked  
None - on-going  
None  
Financial pressures (capping etc.) have forced us to axe our performance review team  
Other priorities  
On-going developments  
Under active discussion now  
Other work

Other priorities and the need to establish a system of committee targets as a preliminary step towards the introduction of a performance review system

Time and resources  
Workload - CCT, unitary authorities  
Previous administration  
Too formal/bureaucratic  
None, system not desired

## Appendices for Chapter 8

**APPENDIX 8.1: BATH CITY COUNCIL'S GOALS**

**Economic Vitality**

Maintain the economic fabric of the City and promote diversity in Bath's economy by encouraging established industries to remain, attracting new, non land intensive industries and promoting Bath's special strengths.

**Quality of Environment**

Preserve and enhance Bath's unique environment by investment in conservation, statutory protection, and education and lobbying. Minimise pollution, litter and physical deterioration and encourage community pride.

**Excellence in Housing Provision**

Promote improvements in housing standards and provision for the people of Bath by: managing and maintaining the Council's own housing to high standards; increasing provision of affordable and social housing for rent or ownership in co-operation with the independent and private sectors; and positively encouraging the renovation of sub standard and private housing.

**Cultural and Recreational Opportunities**

Extend and improve cultural and recreational activities for all sections of the community and promote participation by residents and visitors.

**Relations with the Community**

Respond to the needs of the public (both residents and visitors) more effectively, especially disabled, disadvantaged and isolated groups. Identify the resources available within the community and develop them

## APPENDIX 8.2: SERVICES OBJECTIVES FROM BATH CITY COUNCIL

### REVIEW SECTION

#### Function

To measure the Council's success in meeting its stated objectives and obtaining value for money.

#### Position Statement

1990/91 Budget £122,000

- The Review Section is currently developing a process of performance measurement. Reviews already requested include internal and external communications, archives, decentralisation of personnel and office accommodation.
- A programme of corporate reviews is being drawn up.
- Departments are being assisted in developing and establishing performance indicators.

#### Service Objective

To evolve a performance review system which will enhance accountability, enabling Members and Officers to judge whether a particular function is achieving its objectives, and whether it is doing so effectively compared with the targets set; and also helping the public to see more clearly the fulfilment of the Council's aspirations as stated in its policies.

#### 1990/91 Priorities

To establish an annual cycle of reviews and assess with departments their progress in implementing the Council's principal policy objectives.

To support the Council's policy development strategy by identifying and agreeing, in consultation with all departments, suitable performance indicators and key targets.

To promote links with other departments, improving communications and sharing appropriate information.

To seek information and examples against which the Council can measure its performance.

#### Medium Term Objectives

To evolve a quality performance review system.

To provide relevant feedback to ensure that the Council meets its goals of excellence in the 1990's.

To review and monitor the effectiveness of the review function.



## RESPONSIVE REPAIRS

### Function

Dealing with all day to day repairs for the City Council's homes principally through Maintenance Officers in the three Area based Estate Management Teams.

### Current Position

Budget 1990/91 £1,612,000

- Approximately 22,000 jobbing repairs issued in 1989/90
- New Schedules of Rates for jobbing repairs introduced April 1990
- New computer system for processing and controlling repairs
- Systematic monitoring of tenants' satisfaction with jobbing repairs through acknowledgement cards introduced May 1990.
- Regular servicing work being monitored to achieve maximum value for money
- New rechargeable works procedure to be introduced to improve efficiency and effectiveness.

### Service Objective

To seek to achieve high standards of maintenance for the City Council's housing stock and estates.

### 1990/91 Priorities

To monitor the new Schedule of Rates and Area Maintenance arrangements with a view to making any necessary changes from April 1991.

To evaluate the performance of individual contractors and take appropriate action.

To achieve a consistency in response to repairs within the target time set.  
To assess ways of testing satisfaction with quality of work being carried out.

To seek to achieve higher standards of cleanliness on relets.

### Medium Term Objectives

To seek to reduce unit costs of jobbing repairs through tighter control.

To reduce the need for Responsive Repairs in conjunction with Planned Maintenance works.

To reduce the target times set for Responsive Repairs to a level that meets the criteria of customer satisfaction and value for money.

## REFUSE COLLECTION

### Function

Collect domestic refuse weekly from all residential properties and bulky items when requested.

### Position Statement

Budget 1990/91 £500,29

- Collections from back door where premises have rear access, otherwise from the front of the premises or kerbside.
- Weekly collections from approximately 34,000 domestic and mixed hereditaments.
- Collections made by private contractor.
- Contractor's performance monitored by Council's Cleansing Inspectorate, persistent poor performance resulting in the issue of default notice carrying potential financial penalty.
- Special collection for garden refuse.
- Removal of roadside rubbish and abandoned vehicles when required.

### Service Objectives

Provide an efficient and cost effective refuse collection service, ensuring that the contractor complies with the terms of his contract.

### 1990/91 Priorities

Operate the service to the satisfaction of the general public.

### Medium Term Objectives

Maintain an efficient refuse collection service, within budgetary provision and to strict specification, to achieve customer satisfaction.

Review level and quality of service for retendering in 1993.

**APPENDIX 8.3: PERFORMANCE INDICATORS FROM BATH CITY COUNCIL**

**PERFORMANCE REVIEW REPORT:** POLICY COMMITTEE  
**Service Area:** Review  
**Budget 1991/92:** £  
**Establishment - F.T.E.'s:** 4 F.T.E.'s  
**Function:** To measure the Council's success in meeting it's stated objectives and obtaining value for money.

**Service Objectives:**

- 1) To evolve a performance review system which will enhance accountability, enabling Members and Officers to judge whether a particular function is achieving its objectives, and whether it is doing so effectively compared with the targets set.
- 2) To develop a performance review system using output and effectiveness measures (including customer satisfaction), across the whole Authority to allow the Council to measure its success in meeting its stated objectives.
- 3) To provide a market research facility to Departments, either as a shared or a project-managed resource.
- 4) To review performance across the Authority by means of a programme of corporate reviews.
- 5) To establish and maintain an annual cycle of reviews of Service Areas to assess with Departments their success in implementing the Council's principal policy objectives.
- 6) To promote links, both within and outside the Authority; to foster communications and the sharing of information to achieve a more coordinated approach to achieving the Council's goals of excellence in the 1990's.

**Performance Indicators:**

- 1) % Service Areas with indicators in place.
- 2) No. of customer surveys:  
 -designed  
 -carried out
- 3) No. of performance reviews completed on time. % expressing satisfaction.
- 4) No. of other reviews/reports completed on time. % expressing satisfaction.
- 5) No. of workshops/seminars. % expressing satisfaction.

<b>Performance Report:</b>		
<b>Target</b>	<b>This Year</b>	<b>Last Year</b>

**Supporting Information:**

**PERFORMANCE REVIEW REPORT: HOUSING COMMITTEE**

**Service Area:** Responsive Repairs

**Budget 1991/92:** £

**Establishment - F.T.E.'s:**

**Function:** Dealing with all day to day repairs for the City Council's homes principally through Maintenance Officers in the three Area based Estate Management Teams.

**Service Objectives:**

- 1) Ensuring that responsive repairs to the City Council's homes are carried out at the highest quality and lowest cost.
- 2) Awarding contracts and ensuring that contractors provide a high quality service.
- 3) Ensure that repairs are carried out within target times.
- 4) Ensure that tenants are satisfied with the quality of work carried out.

**Performance Indicators:**

- 1) Response times:
  - category 1
  - category 2
  - category 3
  - category 4
- 2) Unit job cost
- 3) Satisfaction level
- 4) Responsive repairs as % of total

**Performance Report:**

Target	This Year	Last Year

**Supporting Information:**

- 1) Total no. of repairs carried out
- 2) Total cost of repairs
- 3) Operating costs
- 4) Staffing level

**PERFORMANCE REVIEW REPORT:** ENVIRONMENT COMMITTEE  
**Service Area:** Refuse Collection  
**Budget 1991/92:** £655,180  
**Establishment - F.T.E.'s:** 3  
**Function:** Collect domestic refuse weekly from all residential properties and arrange special collections of bulky items when requested.

**Service Objectives:**

- 1) To provide and maintain an efficient and cost effective refuse collection service, ensuring that the contractor complies with the specified schedules for this contract.
- 2) Operate the service to the satisfaction of the general public.
- 3) Review level, quality and method of refuse collection prior to retendering in 1993, including the possible introduction of wheelie bins and a kerbside collection service.

**Performance Indicators:**

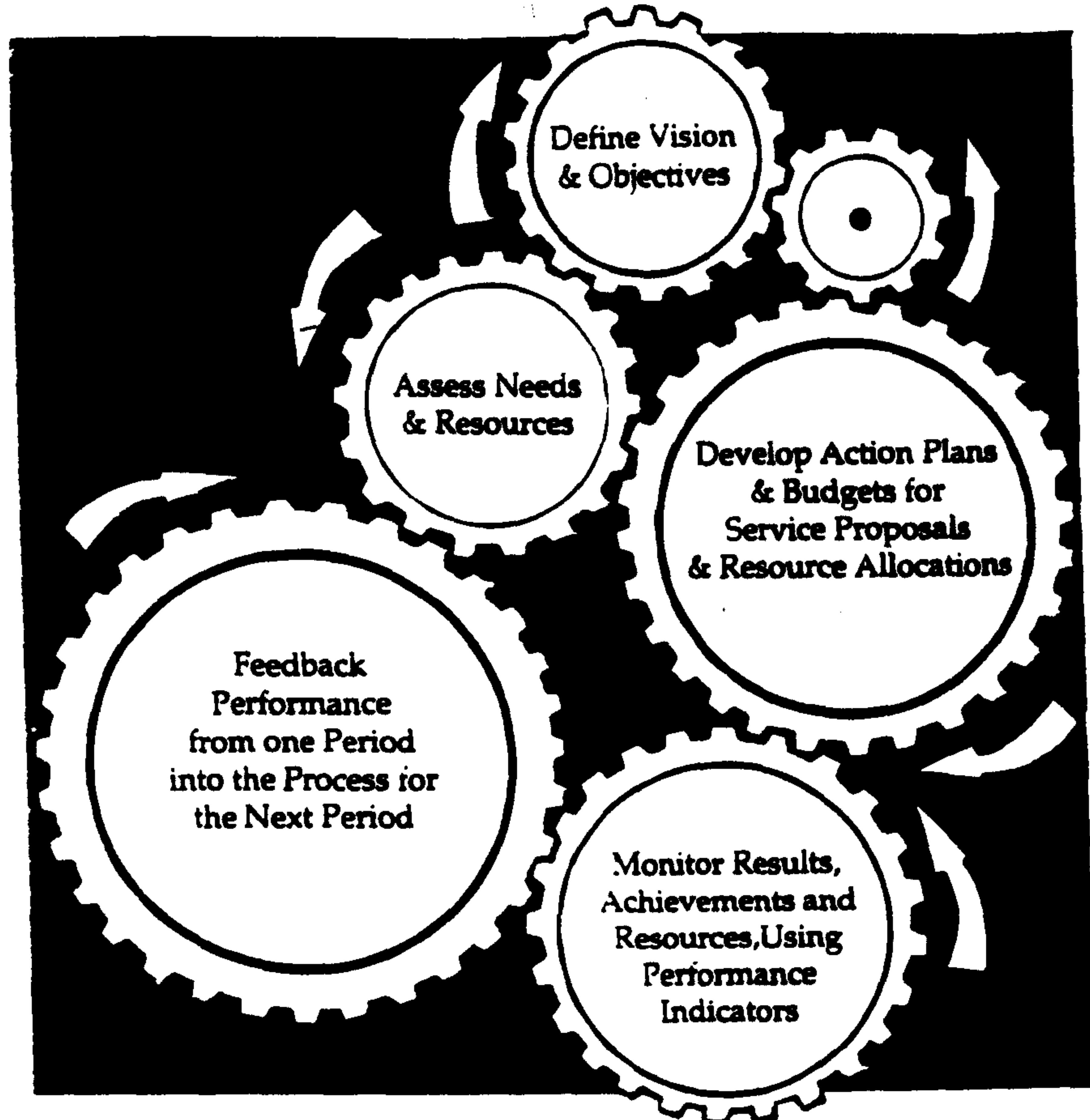
- 1) Missed collections/complaints as percentage of total service.
- 2) Failed inspections by Cleansing Inspectors as percentage of inspections
- 3) Missed collections remedied within one working day
- 4) Cost comparison of service with other Local Authorities as percentage of average cost (when supplied by Audit Commission)
- 5) Review service and prepare tender documents for re-tendering April '93

<b>Performance Report:</b>		
<b>Target</b>	<b>This Year</b>	<b>Last Year</b>
100%		

**Supporting Information:**

- 1) No. of households
- 2) Tonnage of domestic refuse collected
- 3) No. of special collections for bulky household goods
- 4) No. of abandoned vehicles
- 5) No. of green plastic bags sold (for garden refuse)

**APPENDIX 8.4: BATH CITY COUNCIL'S PERFORMANCE REVIEW MANAGEMENT CYCLE**

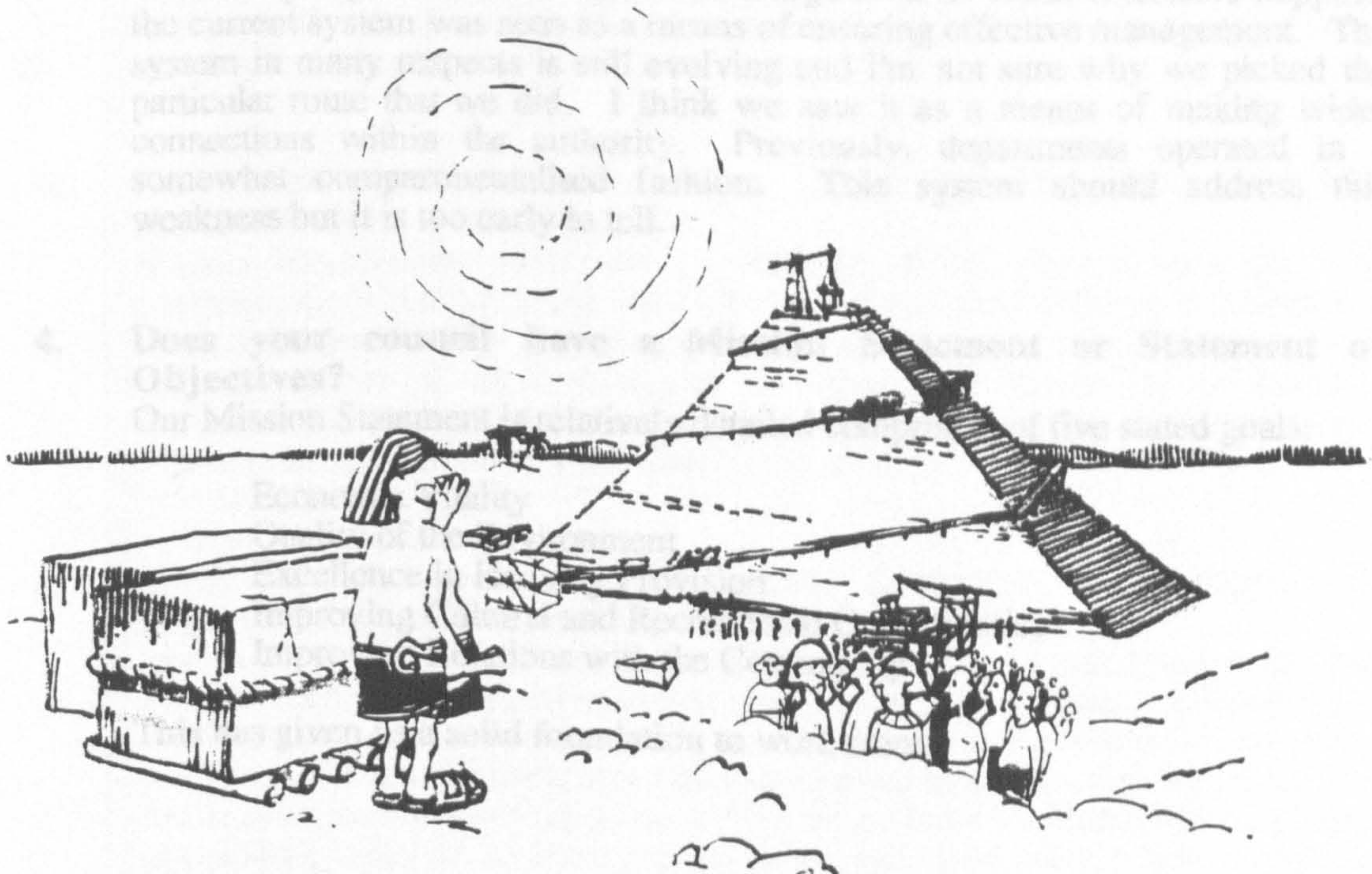


The performance review management cycle is a continuous loop

APPENDIX 8.5: CARTOONS USED IN BATH CITY COUNCIL GUIDE

SECTION A  
BACKGROUND

1. Was the proposal to... officers or members... The drive towards... the current chief... but he has had... councillors.
2. Was any other... of the PR... modified/enhanced... There was no review... something called 'Performance'... type information and... different from what... performance information... 'Performance' is not... of the current mod... with the old process...
3. What were the reasons for introducing the current system? PR is seen as being in line with best practice. The Audit Commission's paper was one springboard and backed with a high level of... the current system was... the expert in many... particular route... connections... Previously, departments operated in a somewhat... This system should address this weakness but...
4. Does your... Objectives? Our Mission Statement...



*"He's changed his mind. He wants to be cremated."*

**APPENDIX 8.6: QUESTIONNAIRES FOR BATH CITY COUNCIL CASE STUDY VISIT**

**QUESTIONNAIRE FOR THE PERFORMANCE REVIEW OFFICER  
JULIE MARTIN**

**SECTION A  
BACKGROUND**

- 1. Was the proposal to introduce performance review initiated by officers or members?**

The drive towards performance management started in 1989 when Clive Abbot the current chief executive arrived. He has definitely been the motivating force but he has had support from most of his chief officers and from some councillors.

- 2. Was any other review process operational prior to the introduction of the PR system? If yes, is the current system a modified/enhanced version of the previous process?**

There was no review process as such. In Committee Reports, there was something called "Performance Review" but this was very statistical financial-type information and bore no relation to targets. The current system is entirely different from what went previously and is more concerned with generating performance information to identify areas which require in-depth review. 'Performance' is not a new word/concept here which has eased the introduction of the current model. Correspondingly, officers don't see what was wrong with the old process and generally don't like the change.

- 3. What were the reasons for introducing the current system?**

PR is seen as being in line with best practice. The Audit Commission's paper was one springboard and backed with a high level of Chief Executive support, the current system was seen as a means of ensuring effective management. The system in many respects is still evolving and I'm not sure why we picked the particular route that we did. I think we saw it as a means of making wider connections within the authority. Previously, departments operated in a somewhat compartmentalised fashion. This system should address this weakness but it is too early to tell.

- 4. Does your council have a Mission Statement or Statement of Objectives?**

Our Mission Statement is relatively detailed comprising of five stated goals:

Economic Vitality  
Quality of the Environment  
Excellence in Housing Provision  
Improving Cultural and Recreational Opportunities  
Improving Relations with the Community

This has given us a solid foundation to work from.



## **SECTION B ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

1. **What measures were taken to draw support and involvement from officers in setting up the PR process?**  
This was a weakness in our approach. The Chief Executive assumed that because he was keen on this idea, that his chief officers were also - this was not always the case. Whilst a few were enthusiastic, many were indifferent viewing this as the "vague" technique and a few were hostile and suspicious. I did do some seminars in an attempt to secure participation but I don't think I was given enough time or legitimacy to do this properly.
2. **What measures were taken to draw support and involvement from members in setting up the PR process?**  
A Special Review Sub-Committee was set up to lead this initiative from the members side and I did a presentation to them on the overall picture demonstrating the uses to which PR could be put. I talked to them as much as I could and continue to do so. Some are keen supporters and want to use this kind of tool, some don't understand what it is all about, but no actual resistance has yet been encountered.
3. **Were goals and targets formally set before the introduction of the PR system?**  
We had high-level goals and service objectives in place including priorities but not targets - these came with the system.
4. **How were policy targets set for the PR system and who set them?**  
When the indicators go to the relevant committee, it is up to the councillors and officers to collaboratively agree a target level. This is easier said than done because if you set the target too high, it is demotivating because it is unachievable but if it is too low then it is easy to achieve and is contributing nothing to performance.
5. **How were performance measures set for the PR system and who set them?**  
Several mechanisms were used. Initially, I did presentations on what performance indicators could offer the council and then acted as a facilitator to make sure that the idea was progressed forward. Some departments drew on the experiences of their managers to decide on appropriate performance measures, others used our central unit whilst others drew on their committees. These were all approved by the Chief Executive.
6. **What were the main technical problems encountered in implementing and operating the PR system?**  
Before I took up this post, I designed a performance information database prototype which delineated who was responsible for delivering different bits of information, when they were due in etc. It was too complicated for the current position in Bath and I think more time is required to assess what the information needs of councillors are. In some service areas, there was the usual problem of establishing relevant performance indicators and there were a few definitional problems - numerous levels of interpretation.

7. **Were any other major difficulties or problems encountered in setting up the system?**  
Ownership, enthusiasm and commitment from certain individuals was undoubtedly a problem and the culture of the organisation was not ready for performance management. I think in a way we went too fast. If we had gone more slowly then perhaps it would more readily have been absorbed into the authority.
  
8. **Did your authority draw on the experience of other authorities when setting up the PR process?**  
Not extensively but I did talk to Avon County Council who are our counterparts. However, it was difficult to share information because local review was on the horizon and both parties were cautious. I found PPRN quite a useful vehicle particularly as a support mechanism - its nice to know that you are not alone in the problems you are experiencing - but I also picked up some good ideas at the conference.
  
9. **Did your authority make use of internal/external consultants?**  
Not really to introduce the PR system but we did invest in some consultancy training for Key Map, which is an American product marketed by PA Consultants. The purpose of Key Map is to move down from the corporate picture to the environment of service managers to help officers see how they fit into the bigger picture. It has been a very useful tool for generating debate which is part of changing the culture. Managers also have to identify their customers and prioritise their inputs and outputs in accordance with their objectives. It has been extremely helpful at getting officers to think very carefully about their service. Previously many had just been going through the motions without really understanding why the service was delivered and whether improvements could be made.

## **SECTION C**

### **THE PERFORMANCE REVIEW SYSTEM**

1. **When was the PR system first introduced?**  
I arrived in May 1990 and we started from there on the current system. We produced the initial report for councillors who took it on board and towards the end of 1990, the foundation stones had been laid.
  
2. **Over what time period was the PR system introduced?**  
I would say that it is still evolving and will be for some time. I think it would have been a mistake to devise a system and impose it from the centre. If it is to be owned by officers and members then they must partially design the system. This takes time but is preferable. It also leads to a more flexi-dynamic process.
  
3. **How does performance review fit into the corporate management structure?**  
It doesn't formally. All chief officers are supposed to operate performance review in their departments and PR progress is discussed at Chief Officers Group, although not systematically. However, it is well down the agenda list. I would like to reach a point where PR is so embedded into this organisation that it pervades or is at least incorporated into all discussions.

4. **Which Committee has responsibility for performance review?**  
We have a Special Review Sub-Committee of the Policy Committee. It has a decent chairman and a few enthusiastic members, but it lacks power to its elbow. It is a good way of disseminating information to councillors and to gradually initiate a cultural change at member level. It gets PR on the political agenda.
5. **What is the designate of the officer responsible for performance review?**  
Head of Review - this is quite a senior grade and I report directly to the Chief Executive. I am not on Chief Officers Group however.
6. **Which officers carry out PR work? (e.g. policy planners, internal auditors)**  
The review staff currently carry out the review work but ultimately it is hoped that service managers will take on the responsibilities themselves - we are supposed to facilitate this process only. We are a long way from changing the culture sufficiently for this to be the case.
7. **How many staff are specifically involved in performance review?**  
Apart from myself, there are 2 senior review officers, a review assistant and a further post which I use for ad hoc secondments and to bring in external consultants. Centrally therefore, there are approximately 5 FTE officers. At a departmental level, staff input varies according to commitment to the process but is generally insubstantial - I am reluctant to quantify non-central involvement given the lumpy nature of the systems information requirements.
8. **Do officers continue to support and participate in the PR process?**  
With varying degrees of enthusiasm and commitment. They have no real choice but to participate because of the Chief Executive disposition to the system. However, some are still unsupportive regarding PR as interference from the centre. However, what is encouraging is that support is gaining rather than dwindling and some who were indifferent at the start are now keen advocates.
9. **Do members continue to support and participate in the PR process?**  
Some members participate in the Special Review Sub-Committee but I suspect that many still do not understand the full value of performance review and the potential that it has to offer them in terms of informed decision-making. However, none have been obstructive in any way but a few have been lukewarm.
10. **Is there any mechanism for communicating knowledge of process and performance targets to junior management or operative grade staff?**  
There is no systematic mechanism for doing this but directors and assistant directors may choose to use the information generated by the performance review system to appraise his staff or to motivate them. However, this is entirely discretionary and I can't see this changing in the near future.

- 11. Are consumer measures identified within the PR system and were the views of consumers sought before the system was drawn up?**  
 Consumer measures are limited but we do consult extensively with our customers and if a high level of dissatisfaction were detected then we would monitor much more closely. Managers do occasionally ask us to carry our market research on specific topics. Most survey work is carried out in-house by this department.
- 12. Are measures of quality incorporated into the PR system?**  
 Indicators are not classified as "quality" measures but we are a quality-orientated council and the close monitoring of all indicators most of which touch on some aspect of quality, in combination with fairly extensive market research, would I think alert us to any quality problems.
- 13. Is any attempt made to distinguish between economy, efficiency and effectiveness in the performance measures utilised?**  
 Measures are not categorised as such but I think we have a reasonable cross-section. Economy and efficiency indicators are not much use without effectiveness measures. Some service areas lend themselves and indeed require a different balance of indicators than others - it would be foolhardy to prescribe managers to define two of each. In this authority Business Plans contain performance measures and because these are subject to close scrutiny by service committees, the indicators are normally relevant.
- 14. Is a distinction drawn between operational (day-to-day) measures and strategic targets?**  
 As the moment, the focus is predominantly on operational measures but I would hope in time that the emphasis would shift towards more strategic targets. In our partial defence, strategic targets are more difficult to set and our PR system is still in relative infancy.
- 15. Does the PR process operate across all departments in the authority? If it does not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?**  
 Our function statement is to measure the council's success in reaching its stated objectives - the review process is supposed to facilitate this process. It therefore operates across all departments but some give it a more prominent role than others.
- 16. How is the PR system linked to the policy planning/ strategic planning process?**  
 From our five stated objectives, we went down to service objectives for the 1990s. Service managers then write Business Plans for their service areas and these include performance measures which focus on operational matters but touch on whether progress is being made on achieving stated objectives. These are reported to service committees and to the Special Review Sub-Committee. Problem areas are investigated further.

17. **How would you describe your councils budgetary process? (e.g. zero-based, incremental)**  
 Although reluctant to admit it, currently our budgetary system is incremental. I hope that the PR system will eventually steer us towards priority budgeting.
18. **How is the PR system linked to the budgetary process?**  
 At present, there are no formal links but the process of setting service objectives and generating performance information for the PR system, should give chief officers the data they need to bargain for a larger share of the cake, and should lead to more informed resource decisions.
19. **Is the PR system linked to performance appraisal and/or performance-related pay?**  
 We do not have PRP in Bath but have been introducing performance appraisals. PR is not formally linked to PA because it was felt that this was defining a role for PR which was not originally envisaged. Having said that, some managers have opted to link their objectives and their performance in relation to these in the context of performance appraisal. It is however, at their discretion.

## **SECTION D GENERAL VIEWS OF SYSTEM**

1. **Do you consider the current institutional arrangements relating to performance review satisfactory?**  
 I'm not sure how you would do it differently, but I am not satisfied with the current arrangements. I seem to be having to persuade people of the value of PR rather than advancing its usefulness in Bath. Many chief officers think I'm here to please them which I'm not. I don't have a place on Chief Officers Group which would make my life easier. I would like to be able to be more proactive. Attempts at innovation just seem to cause suspicion and resentment.
2. **Have any major changes been made to the PR system since its introduction?**  
 There have been no major changes in the PR system itself. Our system operates on the basis of using trend analysis (performance measures over time) to identify areas requiring further investigation. It is too early for significant problem areas to have been highlighted. We have reviewed a few central areas but not really as a result of the PR system.
3. **Have there been any significant changes in the organisation of your authority since the PR system was established and did the system cope and do you think it could cope with significant organisational changes?**  
 We have had two new chief officers who are both supportive of performance review. The Chief Executive is a driving force in this process and whilst he remains in post it is difficult to see the system collapse even in the face of significant organisational change. However, in his absence, I don't think it is sufficiently embedded into the organisation to guarantee its long-term viability.

- 4. What do you consider to be the main strengths of the PR system?**  
I think it has provided us with information that we can understand and has supplied those people making decisions with relevant information. It has provided a fresh way of looking at service areas and has I think moved us towards thinking more of our customer needs and of the standard of service required. Our clients do not need a Rolls Royce service but they need something reliable. It's about matching demand with supply.
- 5. What do you consider to be the main weaknesses of the PR system?**  
If you're not careful it can become too complicated and can lose its focus. PR is not an end in itself and there is a danger that reviewing performance will occur as a matter of course but without changing anything. Its limitations must be recognised. In this authority it is too early to specify other weaknesses but I suspect that in time it will be used for political purposes by senior managers bidding for resources as well as councillors of differing political persuasions. I hope political purposes do not dominate.
- 6. On the whole, do you consider performance review to have been successful?**  
I think it would be premature to answer that question but hope that it will be successful. In the final analysis, if chief officers perceive PR to be a useful tool then they will use it, if not, then they won't. I think we have some way to go on this front.
- 7. What are the most important future developments you would like to see in relation to performance review?**  
The evaluation of methodology is going to be one area needing developed and I think we would do well to draw on a wider research base. Methodology will, I think, become more sophisticated and I would like to see them moving towards geographical information systems which can be used to inform our customers. During the next five years, local government is going to undergo substantial change, and performance information will become critical for specifying what the level of performance should be from our contractors and in monitoring whether it has been achieved. Performance information will be used more for auditing and less for review purposes. The Citizen's Charter poses a threat because some authorities may abandon their PR systems to concentrate on the charter indicators particularly if league tables are to be published. Authorities who have not yet boarded the PR ship will be discouraged from doing so.

## QUESTIONNAIRE FOR CHIEF EXECUTIVE - MR CLIVE ABBOTT

### SECTION A - ESTABLISHING THE PERFORMANCE REVIEW SYSTEM

1. **Were you the chief executive at the time the performance review (PR) system was being established and were you or would you have been, in support of its introduction ?**  
 Prior to my appointment in 1986, no review system was operational. On arriving at the council, I felt that the simple numerical criterion being used for evaluating performance was inadequate. Additionally, there was a lack of strategic thinking as demonstrated for example, by the lack of any vision for the '90s. On taking up post, I steered the council in a more strategic direction part of which ultimately involved establishing the Review Unit to facilitate Performance Review. The units responsibilities encompass monitoring departments progress in achieving Medium Term Objectives and Priorities and thus as well as appraising past performance, it also has a strategic orientation. In short, not only was I actively supportive of the introduction of performance review, but I was instrumental in its genesis in this authority.
  
2. **Is the current PR system an enhanced/modified version of a previous review system ?**  
 No review system was operational in Bath. Previously, evaluation only utilised relatively crude, numerically-based performance indicators for some departmental activities.
  
3. **What role did you play in the development of the PR system ?**  
 In September 1989, a report "Bath on the Threshold of the 1990s" was presented and approved by the Policy Committee. This document outlined the issues which were likely to face Bath in the future and the implications these would have for the City Council. It translated principle current policies into five main categories which have now been adopted as Bath City Council's Goals. Following on from this document, "Service Objectives for the 1990s" was produced. This sets out the objectives of every committee and service area of the Council, making more specific the broad vision encapsulated into the Council's Goals. At the end of last year, a report on the development of performance indicators was prepared for the special review Sub-Committee. In addition to producing such documents, I established the Review Unit.
  
4. **Were departments co-operative, generally, and with each other, in setting up the PR process ?**  
 Departments were generally co-operative in setting up the PR process primarily because a more strategic culture had been generated in the council and the value of performance review in a strategic context was increasingly recognised. However, departmental progress differed with some chief officers initiating considerably more progress than others. Although conflict might be too strong a word to apply to the situation, animosity might not.

5. **Were any cost-benefit studies of the PR system carried out prior to its establishment ?**  
 No. The possibility of conducting a cost-benefit study of the performance review system was never considered. PR is not purely a cost-cutting exercise. If a cost-benefit analysis had demonstrated that the review section or the PR process was not economic, that is it would cost more to operate than it would generate in savings, the fact that it forces departments to focus more on service objectives and priorities and thus become more effective at delivering services, would still make them desirable. A cost-benefit study implies that economy has a higher priority than effectiveness.
  
6. **Did the process of setting up the PR system cause the authority to focus on the objectives of services and did this lead to a reappraisal of the service and/or a redefinition of the customer ?**  
 The process of setting up performance review made the authority even more customer orientated. For example, response times for many services even just the number of rings before the phone is answered has reduced. The document "Service Objectives for the 1990s" did cause a major focus on objectives and articulated what had previously been implied in a lot of instances. Previously, the authority was customer-orientated and thus there has not been a redefinition of customers but some service directors have become even more attuned to the requirements/needs of their customers. A fundamental reappraisal of services did not occur but they did become much more focused.
  
7. **Were any major difficulties encountered in setting up the system ?**  
 The biggest difficulty was the general resistance from the bureaucracy to a new initiative or fundamental change. Many officers were uncomfortable with a system which could potentially criticise them and there was difficulty in getting recognition that PR is more about getting feedback than criticism. Any criticism that does come out is constructive. It marks the progress towards goals and demonstrates achievements. Some chief officers felt it was an attempt at improving big brothers ability to watch over them. Officers had to be forced to stand back and see that it was an attempt to rationalise service delivery and recognise that PR is not about criticising the past. It is about moving into the future.

## **SECTION B - THE PERFORMANCE REVIEW SYSTEM**

1. **How does performance review fit into the corporate management structure ?**  
 We have a five post Review Unit, the head of which reports to me directly. I liaise with all my chief officers on performance review and review regularly crops up at Chief Officers Group.
  
2. **What responsibilities do you have for its operation ?**  
 The Review unit is answerable to me and I am on the review team with chief officers.



- 3. Is there any mechanism incorporated into the PR system for communicating knowledge of process and performance targets to junior management or operative grade staff ?**  
 Chief officers effectively own and operate the system themselves and ownership and goal attainment should thus permeate the whole organisation so that junior management want to achieve results as much as senior officials. Additionally, considerable investment and time effort has been spent on cultivating staff to secure appropriate commitment from them to the organisation and the process.
- 4. Are consumer measures identified within the system and if so were the views of consumers sought before the system was drawn up ?**  
 The measures are still in the process of being developed but consumer surveys are being conducted. I feel satisfied that I know my community. I go out with local groups frequently, including battered wives, and feel that I am in-tune with their needs and views.
- 5. Are any measures of quality incorporated into the system ?**  
 Quality measures are not directly incorporated into the system but for much the same reason as outlined in answer 3 above, this is not considered problematic. Total Quality Management Systems and BS 5750 are all well and good but commitment from staff in delivering a quality service are likely to be more successful.
- 6. Does your PR system operate across all the departments in your authority ? If not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments ?**  
 PR is being introduced across all departments and all service areas. Having said that, the progress made to date is not uniform. This is a reflection of the fact that chief officers are designing their own indicators and some will be more adept at this than others. However, in the longer term, PR is likely to be more robust if the officers design these themselves rather than having them thrust upon them by a central unit. This approach enhances ownership of the system as well as allowing them to take account of factors affecting their services.
- 7. How does your PR system cope with conflicting and multiple objectives ?**  
 The most obvious conflict is the trade-off between quality and cost. A higher quality service often costs more. An effective service however, will solve this trade-off - providing the correct quality of service. Chief officers can use judgement in this respect. Prioritising objectives helps to get over the multiple objectives problem but with an incremental budgeting system still operational, a lot remains to be done.
- 8. Is the PR system linked to performance appraisal and/or performance-related pay ?**  
 Not formally. Performance appraisal has also been introduced but it is not directly linked to achieving targets and performance indicators as outlined in the PR system. We are at the elementary stages of introducing performance-related pay.

- 9. How have directors responded to the PR system ? Have directors of technical departments responded differently to directors of service departments ?**

Directors on the whole have responded well and there has not been any perceptible differences although one department ran into difficulties with the onslaught of compulsory competitive tendering.

## **SECTION C - CORPORATE AND GENERAL ISSUES**

- 1. Is any provision made for monitoring and appraising tasks which are not incorporated into the PR system ? Has the workforce's perception and performance in relation to these tasks altered.**

Staff appraisal ensures that all round performance of individuals is examined removing it from the straitjacket of single objectives. Furthermore, staff are aware that lack of achievement of tasks not incorporated into the review process, impinges on the attainment of goals. Attempt has been made to foster in staff an all encompassing attitude.

- 2. Has the introduction of the system been associated with any changes in corporate values/culture (e.g. more customer-orientated) ?**

The culture of the organisation has changed in recent years becoming more progressive and specifically more strategically-orientated. However, this did not arise from the introduction of performance review. The systems' birth is a symptom of the change in culture. The values of Bath City Council have become more focused, again arising from the general change in emphasis/attitude.

- 3. Do you feel that the system has contributed significantly towards achieving :**

- a corporate management perspective ?
- corporate goals ?

I would put it the other way round and say that the enhanced corporate management perspective has contributed to the introduction of performance review. The management team has made considerable progress to date in defining service objectives. We are now at the PI stage with review procedures still to come.

The review process will certainly facilitate the achievement of corporate goals particularly by making the organisation more focused. In the absence of the system it would never be known whether goals had been attained or not.

- 4. Has the PR system identified any training needs either in relation to its operation or as a consequence of its establishment ?**

No, not really since the staff appraisal process has been used to identify individual training needs.

- 5. Have any major changes been made to the PR system since its introduction ?**  
 There have been no major changes but refinements and improvements have been made, for example, getting the PIs for each service area down to a single-sheet for each service area. Staff increasingly recognise what it is all about and members are becoming more enthusiastic.
- 6. Have there been any significant changes in the organisation of your authority since the PR system was introduced ? If yes, were these the result of the system operating and did the review process cope with the change ?**  
 There has been some limited reorganisation but not as a result of the review process operating - it is still too embryonic to make such a contribution. The way the system has been set up with departments defining their own priorities and objectives and designing the PIs to monitor progress towards meeting these, implies that it will cope with change.
- 7. Do you consider the PR system to be dynamic that is, adaptable to changing circumstances ?**  
 Potentially, the process should be dynamic and capable of adapting to changing circumstances but this is dependent on getting the right messages across to the right people and developing ownership of the system at all levels of the organisation and demonstrating to members and officers that it is a valuable tool and therefore worth retaining and indeed developing.
- 8. Has the system encountered any major problems or difficulties in operation ?**  
 See answer 7 in section A - nothing more to add.
- 9. On the whole do you consider the PR system to be successful ?**  
 The PR system has contributed to changing the culture of the authority. It has helped make activities more focused and facilitated officers having a clearer idea of future targets. The organisation as a result, is more strategic.
- 10. What do you consider to be the main strengths of the PR process?**  
 It clarifies what activities people are doing and why. It brings greater meaning to their work and makes them realise what bit of the jigsaw they are and how the whole thing fits together. It leads to better quality decision-making and better-quality/more informed complaints.
- 11. What do you consider to be the main weaknesses of the PR system?**  
 It is open to abuse. It places an undue emphasis on trust in developing meaningful (and not misleading) PIs. There is a tendency for it to be repetitive so it is difficult to keep fresh but if it is to be successful then it cannot be static.

**12. What are the most important future developments you would like to see in relation to performance review ?**

On the people front, I would like to feel that everyone saw the relevance of PR and were enthusiastic. They should require less help and support in developing and operating the system. I would like to see greater ownership and consistency. On the technical side, I would like it to be more sophisticated and more able to incorporate non-numerical information. I would like it to be more intuitive - able to stand up without the data. I would like understanding, not just measuring, from staff and customers and I would like more account to be taken of quality.

**QUESTIONNAIRE FOR RULING GROUP MEMBER  
COUNCILLOR RHYMES (CONSERVATIVE)**

1. **Which party has overall political control in your council?**  
No party has but we (the Conservatives) have been the largest party for a long time and are effectively the ruling group.
  
2. **What is the political balance of your council?**

Conservatives	24
Liberal Democrats	13
Labour	11
  
3. **Was your political party in power at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
We were the largest party, but to be quite honest we had some doubts and I particularly was quite cynical. I have been a councillor for 24 years and I've seen quite a few initiatives in my time, none of which have survived or have added anything to the organisation. However, whilst I wouldn't say we were supportive of its introduction, the chief executive was very enthusiastic and most chief officers seemed keen so we were not obstructive. My reaction is fairly typical but some of the younger members particularly those that work in the public sector, were more favourably disposed towards review.
  
4. **Which committee has responsibility for the PR process?**  
We have a special Review Sub-Committee of Policy and Resources.
  
5. **Were members involved in the development of the PR process?**  
No not really, although some consultation did take place but although we were not involved in the creation of the system, we accept the adequacy of what has evolved.
  
6. **What part do you personally play in the PR process?**  
I am chair of the special Review Sub-Committee. I took this position under the delusion that this committee was going to wind down but now find that its activities are going to intensify with the new regime. I suppose it is unusual to be chair of a committee whose activities one is very cynical about, but I took the post because of changing personal circumstances and on the basis that the group would shortly cease to exist. Beyond the chair, I play little other role but the system being introduced in Bath is mainly officer-driven demanding very little input from members.
  
7. **What part does the majority group play in the PR process?**  
Member input is generally minimal but I don't regard this as a problem. Performance review is a management tool and as such should be operated by senior officials. I don't think councillors ought to get involved in the management of the authority - our officers are paid for this and us poking around isn't going to contribute much. Member involvement is really confined to looking at the targets and indicators etc. which go before the service committees annually.

- 8. How are your Council's political objectives determined?**  
 Well, it is really a matter of the prevailing climate and the factors which need to be considered. It is a passion to maintain and improve the city of your birth or residence which makes you become a councillor and this permeates your whole approach to political decision-making. I don't think that national politics should play a significant role at the local level and our group certainly doesn't receive dictates from the centre. Some of my colleagues are political animals and are driven by national politics, but the balance here is still for local considerations to dominate. I would concede though that the trend is towards policies being identified as Labour or Liberal Democrat or Conservative. As a group we meet the night before full council to prepare ourselves and we have a chair meeting once during the six-week cycle. Everything is done up-front in this authority - there are no wee huddles or cliques plotting and scheming.
- 9. How are these incorporated into the PR system?**  
 I suppose our policies are widely known in the authority and it is up to officers to take them on board when organising their department's activities and setting indicators and targets. If there were any suggestion or evidence at committees that our policies were being ignored then we would rapidly take action.
- 10. Has the PR system helped your administration achieve its objectives?**  
 It has obviously made some difference but I'm not sure how much is attributable to the operation of the PR system. The new culture which is permeating the whole authority has made a huge difference. I suppose it also helps officers to focus their activities but we still have the same problems, for example, a proliferation of staff. I think it is maybe too early to say whether it will aid our achievement of objectives but I am doubtful.
- 11. Does the majority group and/or the minority group use the PR process for political purposes?**  
 I've never thought about that aspect but I suppose not. I see that potentially it could provide the opposition with ammunition but it isn't yet happening in Bath nor do I think it likely that it will occur here.
- 12. How does the PR system relate to the policy planning process?**  
 The two are not formally linked at present but I suppose indirectly they are related. We set down our policies which the officers implement and PR provides the means of demonstrating that policies are being enforced. I suppose in the future this does need tightening up.
- 13. How does the PR system relate to the budgetary process?**  
 Again at present they are not linked. We have made a lot of progress on the budgetary front, recently moving to cash limited budgets, but I don't think we have advanced enough to consider linking PR to the budgetary process nor am I sure that this is desirable. PR is for management but the budgetary process is political.

- 14. How have directors of service departments, directors of technical departments and the chief executive, related to the PR process?**  
 Clive Abbot, the chief executive, is the motivating force behind performance review in this authority and although I'm not absolutely sure about chief officers reactions, they generally seem supportive and so they should respond well. This process gives them the information to argue their case - the tools to say we are doing things right or things aren't working because of X, Y or Z. I am aware that quantification should be easier for technical officers but there is no forthcoming evidence to suggest that they are responding better. Service departments do have particular problems particularly in relation to the public and I'm not sure how they will get round this in the long-term.
- 15. What do you regard as the main strengths of the PR process?**  
 It offers the opportunity of proving that things are cost-effective. If it can prove that certain activities are done because they need to be done and not just because they have always been done or are too difficult to stop doing, then this will be a strength. Its success is dependent on there being the will throughout the council to use it and get the most out of the system.
- 16. What do you regard as its main weaknesses?**  
 The weakness will be in the human element and how certain individuals respond. At present, it is too quantitative driven and I'm not sure of its ability to answer specific questions, i.e. why was there a queue at the Sports Centre. Not all of the measures are meaningful, i.e. the number of tourists visiting the Baths does not tell us anything about the performance of the attendance staff at the Baths.
- 17. What are the most important future developments you would like to see in relation to performance review?**  
 At present, I feel that it is a bit too much a master of management rather than a tool and I would like to see the balance change. As long as the policies are carried out and there are figures available to demonstrate it, that's good enough for me but for this to happen, the measures need to be tightened up. I would like to see performance review linked to staff appraisal.

**QUESTIONNAIRE FOR SERVICE DEPARTMENT DIRECTOR  
RICHARD KITSON**

**1. Which department are you the director of?**

I am Director of Housing which is the largest and busiest department in Bath City Council. I imagine I was picked to be interviewed because for a number of years, housing services have had to produce service/performance indicators so this current initiative has come as less of a shock to me as compared with some other directors in the council.

**2. Were you the director at the time the PR system was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**

I arrived just after Clive had written "Bath on the Threshold of the Nineties" which kick-started this process so I suppose I was a new director at the time PR was introduced but I have to say that I think we are a long way from having a system up and running - we are only at the very early stages. I suppose everything is relative and we may be fairly advanced as compared with other authorities. I am supportive of some of our approach to PR. I think we have to demonstrate we are delivering a good service - in housing the statutes have progressed us in this area. But the exercise of developing PIs and service objectives is good in focusing people's minds on targets but there is a risk that you get so bogged down in collecting information and developing precise terms that you are missing getting the actual work down. I fear we may not have the balance right in Bath. You can't measure everything.

**3. How were the policy targets set for your department and who set them?**

Like all departments, we have an annual rolling strategy statement which is a brief document which just touches the surface of our immediate development plans. Housing also produces a considerably more detailed housing strategy document which contains service objectives and related performance review information. I draft these documents which then go to the Housing Committee for approval. I try and get the strategy statement and service objectives approved at the same committee meeting so there is no conflict or lack of continuity. I get a little feedback from members so I suppose you could say that the setting of the policy targets combines officer-member input. Policy targets stem from the service objectives agreed and the strategy statement.

**4. How were performance measures set for your department and who set them?**

We've got statutory indicators which we have no choice but to produce. Beyond these however, once the service objectives have been agreed at committee, it is left to officers to determine and use performance measures to assess progress towards targets and less-specific service objectives - members are not involved in the monitoring process. Most unit managers in housing have used the legislative indicators as the basis for this, but a few sections have worked with Reynolds of the Review Unit to devise meaningful and appropriate performance indicators. This is indicative of the preliminary stage that we are at - even within housing there is not a consistent approach.



- 5. To what extent were you included/consulted in designing and developing the system for your department?**  
 The idea of service objectives being produced and associated performance information being generated, has been centrally imposed. However, the actual process of doing this in my department has been left at my discretion as has been the case for all chief officers with the result that whilst service objectives and a strategy statement for each department all gets produced and goes to committee at the same time, the standard varies enormously. I think the Chief Executive who has driven the introduction of the process in Bath, should have consulted with chief officers and members much more. If he had, I think we would perceive that we 'own' the system much more and would not feel it had been imposed. It would also have effected a much needed change in culture. If consultation had occurred, then I think the system would be different because our needs would have been recognised and we would have defined a different role for performance review. Many of us have useful experience that could have been drawn on.
- 6. Do you feel that the PR process has contributed to the achievement of departmental goals?**  
 I think PR and particularly service objectives, have been very useful at pinning down members to clearly think about what they want and to be more strategic in decision-making. The mechanical process of reporting to committee and producing performance review information will help directors sharpen up. It won't help with those things which are not incorporated into service objectives. It's the risk of honing-in on the measurable - other things go by the board. In this department I think it will help but I'm not sure about the rest of the authority - it seems to have limited impact in some service areas to-date.
- 7. Has the system identified any specific training needs for your department and have these been addressed?**  
 Certainly not as yet but I don't really envisage it having this effect. I suppose if the PR system kept highlighting a weakness this could be traced back to a lack of training but it would be premature to link PR with the identification of training needs. I don't think that the Government's requirement for us to produce performance information has made us think how we could get better at delivery, so I suspect it will be the same for this system.
- 8. Is there any mechanism for communicating knowledge of process and performance targets to junior management and operative grade staff and obtaining feedback from these groups?**  
 People who are responsible for certain areas actually collect the information and will be aware of what levels of service were sought but not everything is passed down. For the service objectives we have tried to get the teams to identify what are the important issues and to get them to monitor it. We have involved junior management and have tried to get them to contribute and facilitate the development of the system but we have done little on the operative grade staff side - our caretakers for example know little about our service objectives - they only know their small part of the picture.

**9. How has the review system affected your department?**

It has made us think about committing specific objectives to paper which previously we just talked about. In so far as performance information is published and goes to committee, then I think it has helped my staff focus in on specific issues. As a department we had made considerable progress in delineating targets and indicators for example and I think that the introduction of PR in Bath has only slightly accelerated what was going on here anyway. We have dove-tailed our activities to fit in with what is going on elsewhere.

**10. Has the review system contributed to the achievement of corporate goals?**

I suppose it will help in time but the extent to which it makes a difference is limited by our lack of corporate perspective at this point in time. I suppose it should ensure that we are all pulling in the same direction but the lack of open management in Bath and our generally compartmentalised approach to service delivery makes it an awesome task. The simple answer is that at present we do not have clear corporate goals but once these have been established I think the review system will help their achievement.

**11. Do you have any views on the capability of the review team?**

A lot depends on the person that you are dealing with. I find Reynolds who has worked with us really good and he has a firm grasp of our area and has been receptive. In all honesty however, I can't say I find any value with the rest of the team. They seem unclear about what they have to do although I'm not sure if that is their fault or unclear direction from the Chief Executive. I don't think they are changing what is done here and it seems an expensive way of approaching PR. I get more value from consultants working in this field. It is undoubtedly over staffed. Its easier for me because I've worked in the review field already because of my service area, but I would seriously question how far they have developed review in other departments - I haven't seen any evidence to suggest that it has been effective. The only benefit of having somebody in-house is that you get a consistency of approach across the council but if some departments don't play the game then you don't get that anyway. The Review Team didn't have the best of starts - they were marketed as Watchdogs so directors were reluctant to let them into their departments. Only those who were very keen on performance review in principal used them. You need someone who's more forceful than Julie to breakdown resistance from the rest. I'm not sure the climate is right for review here anyway - it is still viewed as an imposition.

**12. Do you believe that performance review as operated in this authority is a genuine attempt to improve performance? Do you see any other implication?**

In this authority it doesn't have the reputation of improving performance. It is still seen by some, if not many, as providing members with a stick to beat officers with and the Review Unit is a Watchdog generating the lethal information. The principal of performance review is I think a genuine attempt at improving performance - but our system has not been cultivated in a way conducive to viewing it in a favourable light. PR is a system of dragging those at the bottom up a bit but you risk dragging those at the top down a bit.

**13. Is your reaction typical of departmental directors?**

Some of my colleagues do see a value in a structured approach, in that it can get some individuals to deliver a service which they are perhaps not delivering well at present - it gives the CE a bit more clout in this sphere. Others see it as an irrelevance and resent being tied down to specific objectives. They might even argue that it has made them unresponsive. You cannot underestimate the bureaucracy of our system and the resultant time pressures this has placed on many senior managers - we all feel this but the level of resentment generated varies. The problem with formality is that it stifles individual flair and a number of our more innovative officers resent that.

**14. What do you regard as the main strengths of the system?**

You can measure some progress in the direction of the Council so I suppose it is a system of reckoning. Some of the benefits do not accrue to us - that is it gives central government the means to further pick on us. It has helped us regularly focus people's minds on a number of component targets and has helped members stop simply reacting to situations. I think increasingly they will become more strategic in their orientation but that this will be a slow process. To me it is more important to become more customer-orientated rather than quasi-corporate strategic planning. The lessons of the 60s and 70s and 80s must surely be that you must push forward locally from a smaller base rather than as a large central organisation. Fully recognising the environment in which you are operating and responding to its needs, are as least as important as any performance review system.

**15. What do you regard as its main weaknesses?**

I don't think we have the correct climate to do meaningful performance review since this requires the officers collectively to be supportive of each other so that we can openly discuss failings and problems in achieving objectives. We can't really go to members for discussion on aspects of review. They don't really understand the process and are not particularly supportive of the initiative. I think the system is too paper-driven and ignores many important aspects of service delivery which are difficult to measure. We lack a clear message/corporate vision and mission. This would strengthen the foundation of performance review. Performance review has not penetrated the culture yet. It is something down on a cyclical basis - it is not yet a continual on-going process which is why PR is perceived by so many as 'impinging' on more important tasks. People are irritated by the systematic formalities of the process - it not conducive to making progress. Having got service objectives established they have got to become more of an integrated part of our system. We are only half-heartedly doing performance review. If we are going to continue with the process then we must do so with enthusiasm. It will never work whilst so many are lukewarm towards the process.

**16. What future developments would you like to see in relation to performance review?**

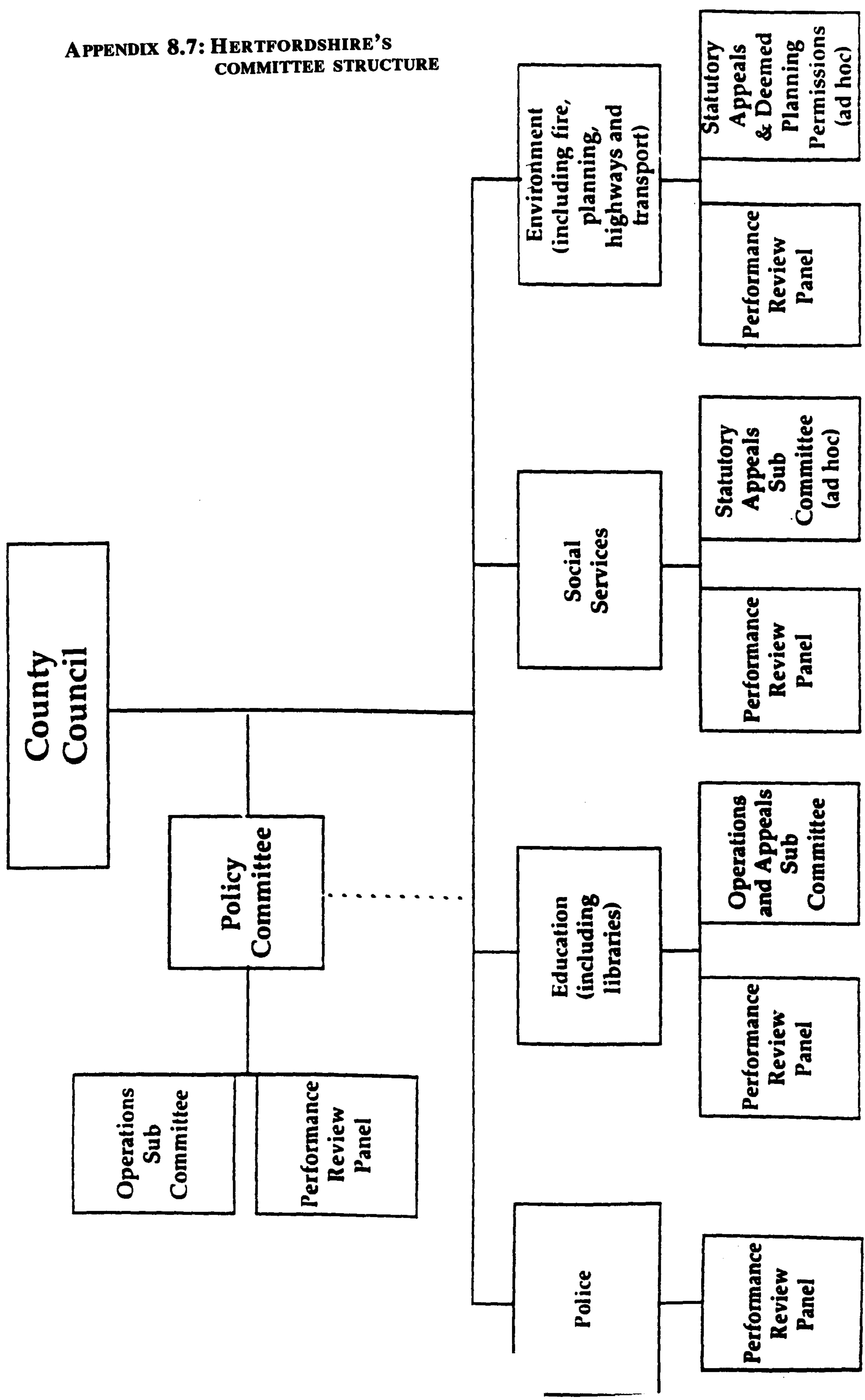
I suppose I would like to see the weaknesses addressed and the strengths emphasised. I think we need to change the culture of this organisation substantially before performance review will have a chance to get bedded down and actually positively achieve things in Bath. I think we need to step back and decide what direction we want to go in and is a performance review system part of that. If it is, then what do we want from that review system. The system must have an objective and the nature of this will determine what form the review process takes. I would like to see commitment and enthusiasm from members and officers but think that the role of the review team should be seriously considered. I don't think that they are cost-effective and I'm more favourably disposed to the idea than most chief officers.

## **QUESTIONNAIRE FOR OPPOSITION LEADERS COUNCILLOR CLARK (LIBERAL DEMOCRATS)**

- 1. Was you political party in opposition at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
At the time PR was introduced, a Liberal Democrat/Labour coalition marginally held the balance of power. We were very supportive of its introduction seeing it as the means of identifying opportunities for improving efficiency and identifying savings. In our opinion, PR has not been fully implemented in Bath - at least not much comes through to members in the form of indicators and measures. These do go annually to service committees but the measures only scratch the surface. We are still supportive of PR operating in this council but would like to see the current system overhauled.
- 2. Were opposition members involved in the development of the PR process?**  
Members in general were not actively involved in the development of the PR process. Its development has been conducted by officers predominantly but endorsed by members. This applies to the ruling group as well as opposition members.
- 3. What part do you personally play in the PR process?**  
I sit on the Review Sub-Committees but this looks at ad-hoc issues rather than the systematic monitoring of performance as defined by the PR process. I also play the role of that of an ordinary member who annually reviews indicators against targets for the service committees I sit on.
- 4. What part does the minority group play in the PR process?**  
We have two members (out of eight) on the Review Sub-Committee and representation on all service committees. The Review Sub-committee is not powerful though and still tends to be officer-driven. We wanted to build in efficiency savings to the budget but were unsuccessful.
- 5. Has performance review contributed to making your group a more effective opposition?**  
The Liberal Democrats are the only policy driven party in Bath. Labour is service driven to a degree and the Conservatives have adopted a "steady as you go" attitude - don't rock the boat. Potentially, PR should make us a more effective opposition by giving us the tools to demonstrate the shortcomings of the Conservatives, but currently the indicators are produced too infrequently and lack sufficient depth for this to occur. We are desperate to be given the tools for this but PR does not currently offer them.
- 6. How is your political agenda set?**  
Naturally, the Liberal Democrats in Bath share a common ethos with the national political organisation, but we are basically a local group. We meet once in a six week cycle to discuss new ideas and once to prepare for council meetings. Our political agenda is primarily set at a local level but this is in keeping with national Liberal Democrat policies.

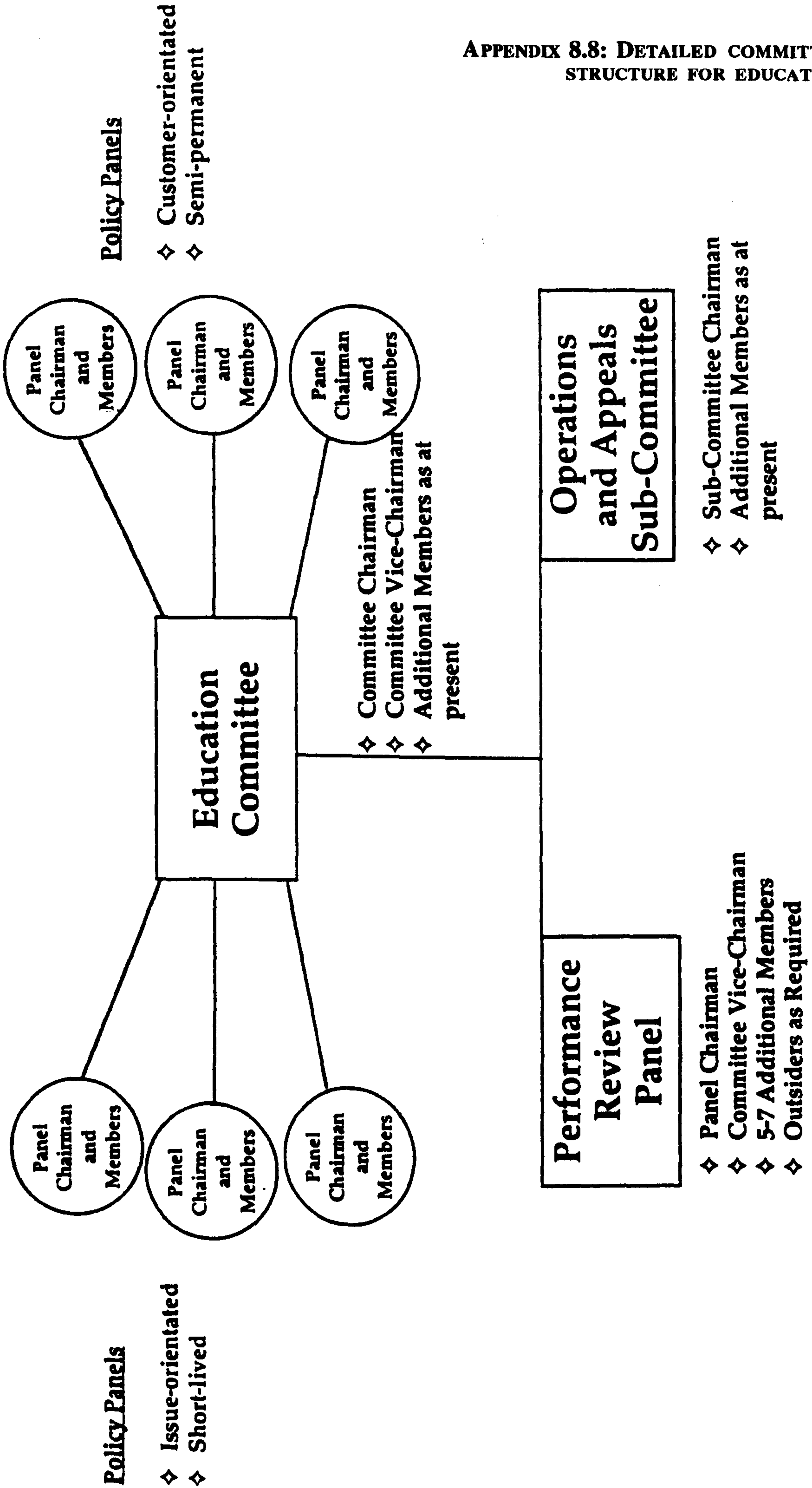
- 13. What are the most important future developments you would like to see in relation to performance review?**  
I would like to see PR being used to demonstrate how well Bath is being managed and to indicate whether our objectives are being achieved. Commitment to efficient, effective management is currently lacking and we think that PR will not be successful until this changes. A major development required is a substantial tightening up of the indicators used in the process - currently chief officers are given too much autonomy and I have serious doubts about the suitability of many that are being used.
- 14. If the opposition group came to power at the next election would you operate the PR process differently?**  
The Liberal Democrats are committed to any system which contributes to the efficient running of an organisation and we consider the PR process to fit this cause. I think we would begin by examining examples of best practice in other authorities and also look at a few who are floundering. This should help us identify factors which make authorities progressive and eliminate negative variables. PR is just another management tool albeit a potentially powerful one. Its implementation requires clear-sighted management and in Bath this would require a strengthening of the management ethos which we would like to permeate the whole organisation. Currently too much administration and too little management takes place. We would cut down the amount of information presented to members since at present it is too much to cope with meaningfully. We would like to see the PR system less quantitative and incorporating where appropriate qualitative material. We would like it to look more than one year ahead so that it becomes integrated into a medium term planning process. We would like some constructive sampling of consumer views. The culture is complacent - we assume that we are doing what people want which is not necessarily so. We would like to link everything (policy planning and budget process) to the review system.

**APPENDIX 8.7: HERTFORDSHIRE'S COMMITTEE STRUCTURE**



◆ KINSLEY LORD 1990 ◆

**APPENDIX 8.8: DETAILED COMMITTEE STRUCTURE FOR EDUCATION**



**APPENDIX 8.9: HERTFORDSHIRE'S PERFORMANCE REVIEW NEWS, JULY 1992**

**NEWS FROM THE PANELS**

The item on Police Housing was discharged as the Panel was satisfied that there was full use of the housing stock with no longer term vacant properties. Members of the Panel asked searching questions about the Complaints and Discipline statistics and expressed themselves encouraged, although not complacent, at the overall picture. The item was discharged since it has become a regular item on the Police Committee agenda.

The Panel recognised that the performance of the Constabulary is already subject to extensive review by the Home Office : Her Majesty's Inspectorate(HMI) of Constabulary and the Audit Commission as well as internal measures. It was agreed that the Panel would be briefed on developments and take an independent and active role in monitoring performance against Force Goals and Objectives.

Two further areas were identified for scrutiny at the next meeting of the Panel on 20 October - The Special Constabulary and Sickness Rates in the Force.

**Geoff Mead**

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Policy Performance Review completed its scrutiny of Use and Design of Buildings and reported to Policy Committee on a number of recommendations for clarifying implicit policies derived from custom and usage.

It also considered the development of Performance Indicators across the range of Policy Committee policies, and agreed that it would look at Performance Indicators in relation to finances and the Management Review in the Autumn.

It also agreed to undertake a scrutiny of our consultative proposals in addition to the Recruitment and Retention issues.

**Linda Homer**

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**Report on Home Care**

Performance Review Panel members have met with four Home Care Teams; Letchworth, Stevenage North, Garton/Abbots Langley and Watford.

The visits allowed comparisons to be made between a rural and urban Home Care service and also between those organised on traditional lines and those piloting new arrangements which separate the management of the service from the purchasers or assessors.

From their discussions with Home Care Managers and

Home Carers, the panel was of the opinion that a better Home Care service was being provided as a result of the Home Care Review. Most users supported the changes, although some were taking time to understand the implications of a "flexible service".

Because of the heavy demand for Home Care, considerable difficulties arise when staff go sick or when there are unexpected absences. In the light of this the panel are to consider options for having relief staff or other similar arrangements.

This will involve looking at the size and deployment of staff as well as "absence levels".

The panel also picked up concerns about the demarcation line between nursing/medical tasks and home care tasks and procedures for handling clients finance and the carrying of client information. The panel will be coming back to both issues in future meetings.

The feasibility of a vetting procedure for agencies who provide a cleaning service for elderly people was also raised.

**Peter Ruane**

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Hertfordshire's performance review system is under scrutiny in the academic world. We have been approached by the University of Stirling as we are "so far ahead in the performance review field" with a request to help them in their research. The Public Sector Management research Group at Stirling University is looking at the application and development of performance review procedures with local government for the Economic and Social Research Council.

The Project's Research Fellow, Claire Monaghan, visited Hertfordshire on Monday 22 June, and conducted structured interviews with Robert Gordon, John Metcalf, Brian Briscoe, Lin Homer, Nick Cull and Kay Hopwood to gain a variety of perspectives on Hertfordshire's experiences.

Our approaches will contribute to a guide to good practice for local authorities to be produced when research is complete

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**Kay Hopwood**



## VIEWS ON THE PANELS

### PERFORMANCE REVIEW - FOCUSING ON THE CUSTOMER

'The customer is always right' - easy to preach, extraordinarily difficult to practice, especially in a large, hitherto monopolistic organisation such as the County Council.

That may sound a little negative and even derogatory but it is not meant to be. All large businesses (and we are the largest business in Hertfordshire) face the same problem of delivering quality services. It starts with recognising that quality is in the eye of the beholder. Customer perception is how services are measured and perception can be cruel and even perverse but a quality organisation will always change in response to that perception. Performance indicators may only tell part of the story. For example, we may exceed our first preference target for secondary transfer but how satisfied are the parents with the actual transfer process?

We need to implement a regular program of Customer Surveys, internal and external and use the results to tailor our services to the customer's needs. It can be a painful process but constant adjustment to the changing demands of the customer is the hallmark of a successful organisation.

Are your customers satisfied?.....

Derrick Ashley  
Education

### THE VIEWS OF STAFF

Julia Spragg, a home carer from Letchworth, says:-

*"It was nice to be able to put our own point of view because we are the people directly in contact with the clients."*

Mary Cano, Home Care Manager, Stevenage North Team, felt the exercise had been positive and worthwhile.

### THE VIEW OF A NON-ELECTED MEMBER

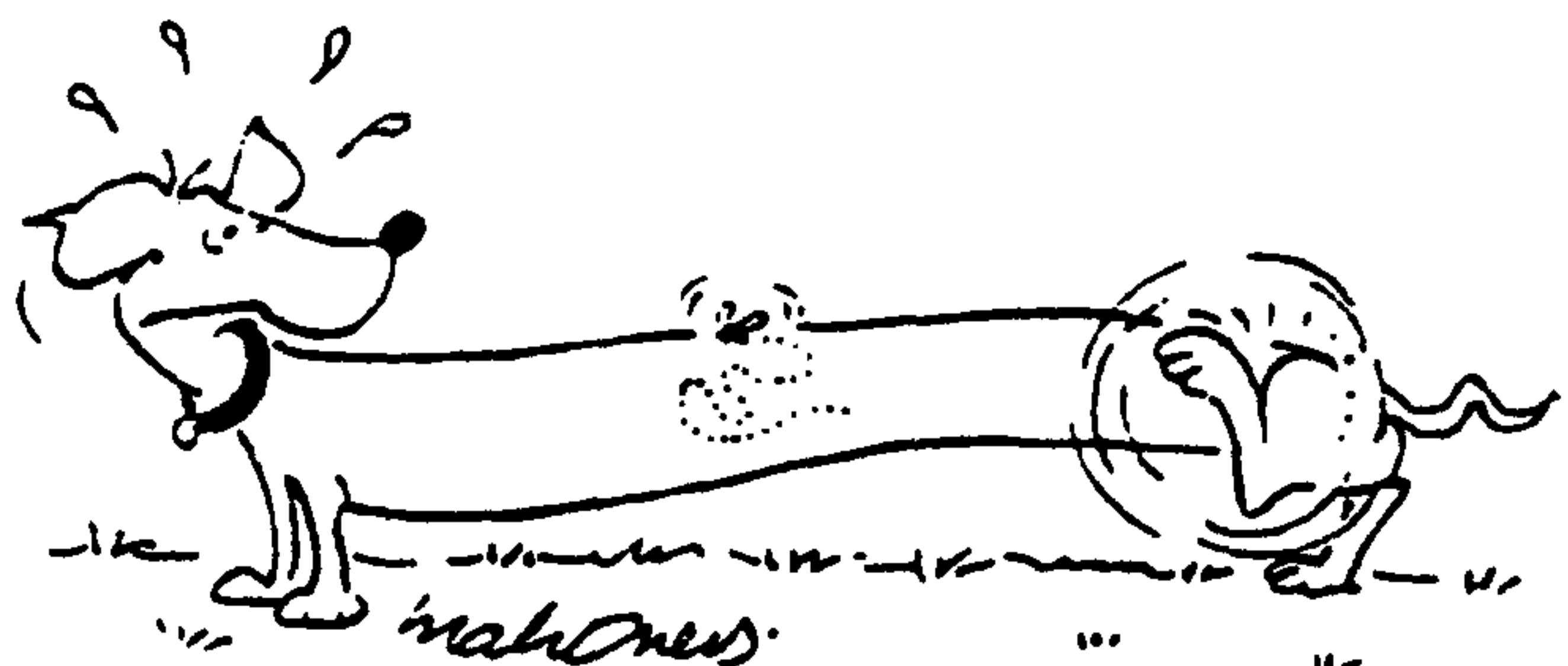
When asked by the editor if, as a non-elected member, I would comment on the work of the Police Performance Review Panel I thought that by not belonging to a structured group of members it would be possible to take a step back and pose two pertinent questions. First, what is the Performance Review Panel (PRP) trying to achieve over and above the review process carried out by Her Majesty's Inspectorate of Constabulary? Second, what is the purpose of the Review Panel?

I find no difficulty in answering the first question because if the Police Service had fallen below the standard of performance expected of HMI then comment would have been made in the 1991 report. On the contrary, at the conclusion of the section "*Quality of Service and Performance Measurement*", Her Majesty's Inspector is "*encouraged by the Force commitment to quality management practices and its commitment to the Citizen's Charter...*"

The second and fundamental question raises a more important point. The presentation given to members in July 1991 stated that the function of Review Panels is to "*monitor and evaluate the performance of the service committee to which it relates*" and "*to check that we are actually doing what we intend to do*". But, the Police PRP is comprised of Police Committee members only. So the Panel is really looking at itself and re-discussing items already included in the agenda of the main committee, eg Consultative Panels, housing, crime, complaints and discipline, etc.

Taking two steps back, why not carry out a cost benefit analysis exercise on the Police Performance Review Panel? Because only Police Committee members are involved in the PRP why should we not have performance as a specific item on the Police Committee agenda? I am sure there is potential for cost savings which the Treasurer would be only too pleased to earmark for future commitments!!

P E Goble JP



Performance not up to scratch?

## NEWS FROM THE PANELS

### PEOPLE ON THE PANELS

<b>Education</b> Chairman Lead Officer	<b>Derrick Ashley</b> <b>Kathy Harper</b> Tel(0992 55) 5766
<b>Environment</b> Chairman Lead Officer	<b>Hedley Banks</b> <b>Nick Cull</b> Tel (0992 55) 5650
<b>Police</b> Chairman Lead Officer	<b>John Rose</b> <b>Paul Manning</b> Tel 0707 331177
<b>Policy</b> Chairman Lead Officer	<b>Pauline Dye</b> <b>Linda Homer</b> Tel (0992 55) 5503
<b>Social Services</b> Chairman Lead Officer	<b>Vivian Crellin</b> <b>Paul Langston</b> Tel (0992 55) 6303

### EDUCATION

The Panel is reviewing major policies of the Education Committee as follows:

*The quality of support for schools under LMS.* Members of the panel visited the Schools Administration Support Unit (SASU) which provides IT support for school administration. The up-dating of a major evaluation, conducted by the Evaluation Unit which has now been closed down as part of the departmental restructuring, is awaited.

*The effectiveness of the school governor training programme.* Members have joined training sessions and reported on them. Again the up-dating of a major departmental evaluation is awaited.

*The effectiveness of the in-service training and education of teachers (INSET) provision.* This evaluation has now been started; much information is readily available.

*The procedures for agreeing statementing of Special Education Needs (SEN),* particularly the time taken, customer satisfaction, and the provision of agreed resources. This has been started.

The Education Committee have referred the Youth and Community Service (YCS) policy to the Panel for review "as a priority....in the light particularly of the further representations received since the agreements" of the

policy, and to take into account the County Council's enabling policy. The Review Panel is thus charged to review policy for YCS in part to see whether a subsequent corporate policy - the enabling policy - should require changes. This is an interesting and important development of the Panel's work.

Ron Wallace

### ENVIRONMENT

The panel having "wet its teeth" on the review of policies in two particular areas, initially planning applications followed by lorry controls and routing, decided it was important to turn next to the task of establishing performance indicators for each service area.

As the Audit Commission on its own programme of work is developing such performance indicators for local authorities it seemed important to have our own ideas on the subject on paper before the former's "hit the streets". Whilst the Commission's report is not due for issue until September 1992, their draft proposals will be available probably by July.

At our May meeting therefore, officers for six service areas (Transportation, Planning & Environment, Fire & Rescue, Trading Standards, Coroners, Rent and Registration Services, and Emergency Planning) made presentations to the Panel where their policy or service objectives were outlined and possible performance indicators suggested.

The Panel in noting that there should only be a small number of such indicators for each service area and realising that they must be readily understood by our customers have identified those that they consider to be most important. They also believe that performance indicators should be associated with "time targets" and recognise the "rights" given with the Citizen's Charter.

The next step is to compare our thoughts with those of the Audit Commission at our July meeting before finalising our own list of performance indicators and starting to measure the Environment Department's performance against them. And then, of course, the all important question of on-going monitoring - who should carry out that function, how often the form of report and so on.

Hedley Banks

### POLICE

On 22 May, the Panel considered papers on Autocrime, Police Housing, Complaints against the Police and Reviewing Police Performance. A further report on Autocrime will be presented at a future meeting to review the impact of "Car Crime Prevention Year".

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Kay Hopwood

**APPENDIX 8.10: ENVIRONMENT  
PERFORMANCE REVIEW PANEL P**



**Hertfordshire  
COUNTY COUNCIL**

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**AGENDA for the ENVIRONMENT PERFORMANCE REVIEW PANEL meeting in the  
Mimram Room, County Hall, Hertford on Tuesday 12 May 1992 at 10.30  
a.m.**

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**MEMBERS OF THE PANEL (10 - QUORUM 5)**

**H G S Banks (Chairman), D E Billing, H A Burningham, B M Goble,  
G A Haworth, H T D Marwood, D M Palmer, G M Tattersfield,  
D T Waddington, B A York**

**AGENDA**

**1. MINUTES.**

To confirm the Minutes of the meeting of the Panel held on 25  
February 1992 (previously circulated).

**2. PERFORMANCE REVIEW INDICATORS**

To consider the development of performance indicators for  
Environment Committee Services detailed.

**3. DATES OF FUTURE MEETINGS**

10.30 a.m.      30 June 1992      Committee Room C

**ANY OTHER BUSINESS**

If you have any queries about this Agenda, please contact Adrian  
Service, on Hertford (0992) - 555564

**ENVIRONMENT PERFORMANCE REVIEW PANEL 12TH MAY 1992**

**PERFORMANCE INDICATORS**

1. A key task identified for Performance Review Panels when first established, was to develop, for each service area, a small number of performance indicators both meaningful to customers and related to service objectives.
2. At the 25 February meeting of this Panel, members decided it timely to suspend their programme of reviewing specific areas of service activity so as to consider the issue of performance indicators. This decision was partly prompted by the Audit Commission announcement that they were to develop and publish performance indicators for all local authority services, a duty imposed on the Commission by the Local Government Act 1992.
3. The Audit Commission's programme is now under way and while a draft list of indicators will not be published for consultation until September, there is a strong probability that the County Council will receive advance notice of those preferred, by way of a pilot trial, during July. An update on this and the Commissions programme generally will be available to members on 12 May.
4. Attached to this report are statements of service objectives, for each Department and service area reporting to the Environment Committee, together with a selection of performance indicators which are intended to go some way towards meeting the criteria referred to in paragraph 1. In some cases these indicators are new in that the relevant data has not been previously collated and published.
5. There is no way of knowing at this stage how closely the Audit Commission's proposed indicators will coincide with those members would wish to develop. However, the attached will hopefully provide a useful introduction to the process by stimulating debate, as well as presenting a summary reminder of the range of services for which the Environment Committee is responsible.

**Nick Cull**  
**Lead Chief Officer**

**ENVIRONMENT PERFORMANCE REVIEW PANEL**

**PERFORMANCE INDICATORS**

**1. TRANSPORTATION**

The Transportation Department is concerned with enabling people and goods to move around the County in a safe manner and with minimum damage to the environment. Over four million journeys of over a mile in length are made each working day. These are by foot, cycle, motor cycle, public transport, car and commercial vehicles. The Department is equally concerned about all modes of transport, but the highway network inevitably plays a significant role as all trips, for part or the whole of their length, use it.

The Department is also responsible for the effective and efficient disposal of 400,000 tonnes of waste each year.

Over recent years the Department has been re-organised and a great deal of effort has been put into becoming closer to our customers and providing them with the service they require.

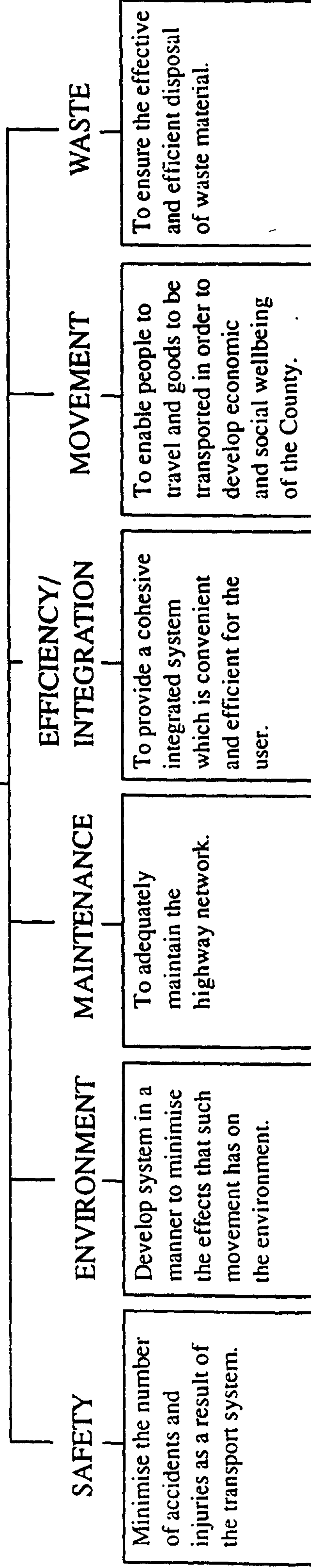
The main objectives for the Department and suggested indicators for measuring performance are summarised on the attached chart.

# TRANSPORTATION DEPARTMENT

## THE AIM

To promote, develop and maintain a transport system in conjunction with land-use patterns which provides for the safe movement of people and goods necessary for the economic and social wellbeing of Hertfordshire's residents.

## THE OBJECTIVES



### Possible Indicators

Number of Accidents					
Number of Casualties					
Accident Rates	NO Levels	The Need	Percentage of network	Cost per tonne	
Risk of Accident	CO2 Levels	(Backlog of Maintenance	congested	Cost per head	
	Number of	Work £m)	Average Speeds	Percentage	
	Complaints		Number of people	recycled	
	on Noise		without access to		
	Number of Properties		a car and over 500m		
	effected by Noise		from a bus stop		
	Length of traffic				
	calmed streets				

## **2. PLANNING & ENVIRONMENT SERVICE**

The Planning & Environment service is concerned with improving the quality of life of all who live and work in the county, both now and in the future. The service has four principal areas of activity:-

- a) Strategic land use planning
- b) Regulation of land use and activities
- c) Corporate planning support - medium term plan, etc
- d) Enabling environmental action.

The outputs which are submitted for consideration by the Panel are "high level" and are intended to give Members an overview of the service, from which they will be able to monitor how well policies are being implemented. The implementation of policies designed to fulfil these outputs, and related to the four activity areas mentioned above, are the elements that will be measured.

Responding to requests within a timescale is an easy enough matter to record and act upon. However, influence is a difficult thing to measure - yet will be increasingly important as a means of the County Council achieving its objectives. Ways will be explored to see how best this may be judged.

It is hoped that by monitoring this matrix of the activities of the service, Members and others will gain a measure of the performance that is being achieved.



### 3. FIRE & RESCUE SERVICE

#### Introduction

In October 1991 a report was prepared for the Home Office Fire and Emergency Planning Department by Howard Davis and John Raine from the Institute of Local Government Studies (INLOGOV). The research was undertaken to determine basic principles and establish a framework for performance measurement for the fire service nationally.

The report details four summary objectives relating to the fire service as a whole, described as Generic Key Indicators which may provide initial summary information of particular value to those outside the sphere of day-to-day management of the service in addition to a greater number of more detailed indicators relating to distinct parts of service activity (81) described as Sub-Service Activity. It is anticipated that the aforementioned would be more useful in providing a more detailed measure of performance for use within the Service.

The Chief and Assistant Chief Fire Officers Association (CACFOA) has expressed absolute support and commitment to the principle of developing suitable Performance Indicators for the Fire Service however, concern has been expressed at the haste at which there are to be applied nationally without proper vision of the indicators devised from a recent pilot scheme which provided the basis for the aforementioned report.

It is unlikely therefore that national implementation of Performance Indicators will be effected during the course of 1992-93.

Hertfordshire Fire and Rescue Service has maintained close contact with developments in this field and has produced its own Objectives and Performance Indicators for implementation from 1 April this year through the process of Business Planning. These however reflect the local dimension in detailing our aspirations for the development of the Service in Hertfordshire and are made in advance of more detailed guidance on performance indicators to be applied nationally.

#### Mission Statement

A Mission Statement that would provide the basis for a national performance measurement framework has been agreed between CACFOA and the Home Office which is detailed as follows:-

'To provide the community with the highest possible standards in fire defence, rescue services and fire safety' by -

- (i) Responding effectively and appropriately with the necessary resources, to deal effectively with all emergency calls for fire brigade assistance.
- (ii) Meeting the standards and expectations of the fire authority which should not fall below those recommended by the Home Office.

#### 4. TRADING STANDARDS

The Trading Standards Department is responsible for enforcing wide ranging legislation affecting the quality, quantity, safety and pricing of goods and services, produced and sold in the County. An advisory services is also provided to help resolve disputes about fair trading matters.

Approximately 25000 Hertfordshire businesses are affected by one or more of the 50 Acts enforced by the Department. Some 12000 visits are made each year with many thousands of products tested, checked, sampled and analysed. Nearly 10000 complaints are received direct each year by the advisory service.

In 1991 agreement was reached nationally to a comprehensive range of statistics embracing most activities carried out by trading standards departments. Those statistics are being collected for the first time this year (1992/93) and over the next two years will be developed to include the categorisation of businesses by reference to their risk of non-compliance with legal standards.

Overall aim of Department:-

to promote and maintain a safe and fair trading environment.

Enforcement objective:-

to minimise levels of non-compliance with legislation enforced by Department.

Performance indicators

- i % of businesses within each risk category, visited during year.
- ii number of formal enforcement actions taken (e.g. including prosecutions and cautions).
- iii number of preventative actions taken (eg including advice to business, seminars etc.)
- iv number of criminal complaints received from members of the public.
- v number of referrals (from other trading standards authorities) about products originating from Hertfordshire.
- vi number of tests, examinations failing to meet legal standards.

Note: most of the above indicators can be further categorised in respect of areas of control, business types, product types etc.

Advisory Objective:-

to offer advice and assistance to individual traders and consumers on civil matters.

Performance indicators:-

- i number of complaints received.
- ii % of complaints dealt with within 5 working days.

5. **STATUTORY SERVICES**

1. **Registration Service**

(a) **Strategic Objective:** To provide a cost efficient and customer orientated service within the limits of current legislation.

(b) **Performance Indicators**

- cost per event
- waiting time from entering waiting room to being seen by Registrar.
- error rate by Registrars per hundred events.
- number of complaints/positive comments.
- % working hours which Registration Offices are open.

(c) **Interpretation**

The cost of the Service has to be seen in the context of the quality of the Service expressed in terms of waiting time and comments from the public. (Note: Waiting times can only accurately be ascertained where receptionists are employed).

2. **Coroner Service**

(a) **Purpose:** The Coroner Service investigates the circumstances of any sudden or unexpected death. The Coroner will hold an inquest, if one is needed, to establish the cause of death.

Coroners are judicial officers and quite independent of both local and central government, and are required to act in accordance with certain laws and rules of procedure. They will provide a sympathetic service during the difficult circumstances which surround sudden death and work to make sure that the inquest is completed as quickly as possible.

(b) **Performance Indicators**

- % of successful appeals against inquest findings.
- volume of complaints from bereaved/subjective reactions of the bereaved denied by questionnaire.

3. **Rent Officer Service**

This is a 100% funded service by central Government (Department of the Environment).

## 6. EMERGENCY PLANNING

The Environment Committee on the 11 June 1991 received a report outlining the Authority's current emergency planning policies. These are:-

- o To comply with the statutory Civil Defence responsibilities of the County Council as required within the Home Office's Planned Programme for Implementation (PPI) of the 1983 Civil Defence Regulations.
- o To provide an appropriate level of preparedness for peacetime emergencies and subject to financial provision a dedicated 24 hour corporate emergency response.
- o To prepare off-site emergency plans as required by the Control of Industrial Major Accident Hazards Regulations (CIMAH) for specific installations and to recover the costs from the site operator.
- o To seek the voluntary co-operation of sites listed under the Notification of Installations Handling Hazardous Substances Regulations (NIHHS) in the preparation of off-site emergency plans on a no-charge basis.
- o To arrange appropriate training and exercises to test emergency plans.

The Emergency Planning Team is currently financed primarily by 100% Home Office specific grant under the Civil Defence Regulations. Last July the Home Secretary announced his intention to allow a more flexible use of their monies for local authorities to improve their peacetime emergency planning arrangements, subject to them contributing towards the costs of emergency planning teams - Hertfordshire County Council complies with this requirement.

Consequently the annual targets set by the Home Office under their Planned Programme for Implementation (PPI) of the Civil Defence Regulations are now being broadened to cover arrangements for peacetime emergencies. The PPI sets and monitors performance indicators.

The Emergency Planning Team is currently drafting a Business Plan for the unit and when finalised this will establish more detailed targets. During the summer the Home Office are also to publish their guidance document "Dealing with Disasters" and this will set broad standards against which emergency planning can be monitored.

The Performance Review Panel may wish to consider the targets established within the units Business Plan against the policies outlined above.

**APPENDIX 8.11: QUESTIONNAIRES FROM HERTFORDSHIRE CASE STUDY VISIT**

**QUESTIONNAIRE FOR PERFORMANCE REVIEW OFFICERS**

**KAY HOPWOOD - POLICY MANAGER  
LIN HOMER - ASSISTANT CHIEF EXECUTIVE**

**SECTION A  
BACKGROUND**

1. **Was the proposal to introduce performance review initiated by officers or members?**  
The proposal to introduce the current performance review system emerged from the major management review we had conducted towards the end of '89. Both senior members and officers were keen to undertake the review and have endeavoured to support implementing its recommendations including the introduction of the current review system. More generally, I think officers were keener to see it take root in Hertfordshire than members because they have a better understanding of its potential.
  
2. **Was any other review process operational prior to the introduction of the PR system? If yes, is the current system a modified/enhanced version of the previous process?**  
We have operated performance review in this authority since 1974. Prior to this system, we had one Performance Review Sub-Committee, a sub of Policy and Resources. Studies were undertaken by a team of officers, predominantly accountants, according to a work programme and the results fed back to members. It was not systematic but rather ad-hoc and reactive to prevailing concerns. The old process was undoubtedly internal, organisationally-based and focused on what we did and how we did it. We are now seeking to be much more strategic in our use of review, shifting right away from operational details towards the broader policy dimension. I think we learned a lot from the operation of the old system, particularly how not to do it. The role of members within review is now considerably enhanced.
  
3. **What were the reasons for introducing the current system?**  
As a result of the Management Review, the process of looking rigorously at management as a whole and our member structure has caused us to take a new direction and in particular to change the role of members towards policy-leading. Performance review in this authority is about the review of policies and so is fundamental to our new course. We are trying to build ourselves into a performance-orientated organisation and I don't think we will ever achieve that without operating an effective review system.
  
4. **Does your council have a Mission Statement or Statement of Objectives?**  
The County Council has four corporate principles: communication; accountability; responsiveness and enabling. These also emerged from the Management Review and underpin the work of the authority. We don't have a Mission Statement or Statement of Objectives as such because each Standing Committee must decide its own purpose.

## **SECTION B ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

### **1. What measures were taken to draw support and involvement from officers in setting up the PR process?**

Apart than for those officers directly involved in the review process, no direct measures have been used but we have given performance review a high profile and this has helped it find its place in the organisation and there is a general expectation that this is the correct way to do things. We have 45,000 staff so it is not surprising to find the odd cynic here and there. Most of our employees have found the Management Review a useful foundation to put their work behind and review is perceived as part of that package and so is supported.

### **2. What measures were taken to draw support and involvement from members in setting up the PR process?**

Most of our leading members were keen to get the PR process implemented. However, our review process is only supported by officers. It is driven by members and it took a long time to clarify with them what their role was and then to equip them with the necessary skills and confidence to actually operate the process. We held member seminars and informal workshop/training sessions to secure their participation. Some of the opposition were, and indeed still are, suspicious of this process. However, this is as much founded on ignorance as anything else.

### **3. Were goals and targets formally set before the introduction of the PR system?**

There were no formal arrangements for setting goals and targets prior to this system. A few departments had internal operational objectives and even a sprinkling of more strategic aims but this was very much left to the discretion of chief officers. There was no systematic mechanism for ensuring that it took place or for monitoring the outcome.

### **4. How were policy targets set for the PR system and who set them?**

Our review system has not been set up in such a way that demands that policy targets be set and to-date this is a weak area. However, it is the area we will now be concentrating on. Our review system is primarily about review policies so obviously policy targets are important. We surveyed members views on targets and there was widespread support for specifying what policy objectives ought to be achievable. Members are aware that there are costs attached to different levels of achievement and we are experimenting with cost curves, i.e. the cost associated with increasing customers satisfaction of parents of children moving into secondary school. This is a complex developmental area but we feel a useful exercise. Given the type of system we have here, we feel it essential that members are the ones to set the targets in partnership with officers naturally, and that these be linked to resources. Or more specifically, the resource implications of targets must be clear.

5. **How were performance measures set for the PR system and who set them?**  
Operational performance measures are the responsibility of management and do not form part of our review system. However, we do need indicators to show whether our policy targets are being achieved and broader goals being reached. We are still developing our performance indicators for services and policies. They are being developed in tandem with policy targets and indeed when Policy Panels are convened, they are expected in formulating a policy, to specify the indicators to be used for measuring performance in respect of that policy.
  
6. **What were the main technical problems encountered in implementing and operating the PR system?**  
I don't think we really had any major technical problems, mainly because of the type of system we have and the fact that targets and indicators are being allowed to emerge over time. The review system was espoused in the Management Review so there was less of a problem getting the message across than might otherwise be expected.
  
7. **Were any other major difficulties or problems encountered in setting up the system?**  
I think time has been the biggest constraint. Many of us would have liked to have developed quicker and be at a more advanced stage now, but we wanted to take officers and members with us and this has slowed the pace down. There was also a degree of member uncertainty about what was actually going on and some suspicions that this was actually a ploy for pushing to the periphery rather than the opposite. I suppose change is always resisted.
  
8. **Did your authority draw on the experience of other authorities when setting up the PR process?**  
Kinsley Lord who did our Management Review and devised our review process will undoubtedly have drawn on the experiences of other authorities. Our system is very different from anything else going around so I suspect it was more what didn't work that they shelved.
  
9. **Did your authority make use of internal/external consultants?**  
Our system was designed almost exclusively by external consultants with some consultation with our senior management and members.

## **SECTION C THE PERFORMANCE REVIEW SYSTEM**

1. **When was the PR system first introduced?**  
The review system was set up in the early part of 1990.
  
2. **Over what time period was the PR system introduced?**  
I would say that the system is still evolving. We have given the system some time to find its place in the organisation and having consolidated that we are now developing the weak areas. In particular, we are focusing on policy targets and performance indicators for the foreseeable future.

3. **How does performance review fit into the corporate management structure?**  
Our review system is member driven so it doesn't formally fit into the corporate management structure. However, all chief officers are expected to provide assistance as demanded by the Review Panels. In addition, each Review Panel is assigned a lead officer, an officer responsible for overseeing reviews and an officer from the service area with specialist knowledge.
4. **Which Committee has responsibility for performance review?**  
We currently have 5 service committees and a Performance Review Panel is constituted for each of these. We deliberately broke away from the bureaucratic, hierarchical strait-jacket of sub-committees. Panels are independent to a much greater degree. The Chair is not on the Service Committee but the Deputy Chair and other members of the Service Committee are on the Review Panel. They do not operate in a uniform manner although we have set up core principles which they should abide by. We want them to be persistent, curious, independent and thorough. We want them to be investigative and thus have sought to give them a high level of freedom. Centralist intervention and demands would I think, stifle innovation and ultimately their operation and they would fade into the background. Their responsibilities are clear but how they meet these is at their discretion.
5. **What is the designate of the officer responsible for performance review?**  
I suppose the Chief Executive has ultimate responsibility but the day-to-day work falls on me (Policy Manager) and Lin (Assistant Chief Executive). We have a network of lead officers who work with us and whose task is to support the Review Panels and maintain two-way communication between officers and members, departments and committees. Lead officers regularly meet to share good practice and also occasionally meet with the Chairs of the Review Panels. I suppose we are still exploring processes.
6. **Which officers carry out PR work? (e.g. policy planners, internal auditors)**  
There are no set rules here and the type of officer undertaking review work for a Panel will often be determined by the Panel and the nature of the problem or area being reviewed. However, they are rarely officers from the centre of the organisation but more usually located in the middle management of service departments.
7. **How many staff are specifically involved in performance review?**  
This question is unanswerable within the context of Hertfordshire. There is Lin and myself at the centre and four other lead officers. But at any one time a host of other officers will be involved directly with the Review Panels or indirectly working on a particular review.



- 8. Do officers continue to support and participate in the PR process?**  
There is now a general consensus that this is the correct thing to do in becoming an effective organisation. However, the process has taken a long time to infiltrate the organisation and I think there has been some incidence of frustration that things haven't changed immediately. Overall, I think they are increasingly supportive since the system allows officers the opportunity to make more direct contribution to members instead of through the centre/finance departments. I'm surprised in a way that many of the people involved are as positive as they are at this stage in the process. I would have expected more frustrations to have come to the fore.
- 9. Do members continue to support and participate in the PR process?**  
Our member profile is gradually changing. It no longer reflects the Hertfordshire "squirearchy" of the past. We are seeing active members coming in with more business and commercial understanding and with a far clearer political will to drive policies through. The new breed are very supportive of performance review seeing it as a useful tool for demonstrating success. However, on the member side, the greatest weakness in the system has been our inability to keep members not on the Review Panels involved. There is a degree of suspicion and we are trying to address this. We could insist on very regular briefing papers from the Review Panels to counteract this but I think this would inhibit the activities of the Panels. Hopefully the problem will gradually subside.
- 10. Is there any mechanism for communicating knowledge of process and performance targets to junior management or operative grade staff?**  
We have endeavoured to be clear when it is appropriate for managers to manage and for operational performance to be the responsibility of all staff. The level of cascading down is at the discretion of senior managers but the majority do inform junior management of performance information.
- 11. Are consumer measures identified within the PR system and were the views of consumers sought before the system was drawn up?**  
What our customers want is one of the fundamental questions we hope that the operation of performance review will answer. We are seeking ways of ensuring the Performance Review Panels take a customer perspective throughout and in particular that they obtain the views of end-users. We are at the early stages of this and how it is progressed varies from service committee to service committee. Operational consumer measures such as complaint-levels and take-up rates are part of the business planning cycle but we are fairly early on in the learning process of incorporating customer views into the broader, more strategic picture. Panels have the choice to be closed to the public but to-date all have decided to be open. This is an encouraging sign. We have a survey unit within Planning who undertake studies of views but I think we could do more to link this to the review process.

- 12. Are measures of quality incorporated into the PR system?**  
 Quality is fundamental. In doing performance review, we are exploring whether customer demands for quality are being met. However, it is very difficult to explore quality issues particularly with customers who are remote from the point of decision-making. However, we see it as critical and this is a key developmental area. We are trying to establish Service Quality Panels to run alongside Review Panels. The latter will focus on strategic achievements whilst the former will look at the quality of service delivered.
- 13. Is any attempt made to distinguish between economy, efficiency and effectiveness in the performance measures utilised?**  
 Members have been trying to focus on outputs and outcomes. In the past we focused too much on inputs and we are now trying to look at the impact of services. However, it is not easy to isolate the effect of our activities not least in education. Whilst focusing on outcomes, we don't want to lose sight of the process, the way in which the resources are used, not simply from a value for money perspective. Whilst not succumbing to the rigidity of the Audit Commission's 3Es, we do look at all aspects of service delivery but supplemented by members subjective views, feelings and judgements about services.
- 14. Is a distinction drawn between operational (day-to-day) measures and strategic targets?**  
 In Hertfordshire there are different tiers of performance review. There is a strategic level/political level - the review of policies; there is officer-level review of services and service delivery through business plans; and we have individual performance review. The business planning process will be the start of systematic monitoring and when there are operational problems we would expect this to feed through to the Review Panel and the Service Committee.
- 15. Does the PR process operate across all departments in the authority? If it does not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?**  
 The performance review process is committee-based rather than relating directly to departments. It encompasses all committees and thus all departments.
- 16. How is the PR system linked to the policy planning/strategic planning process?**  
 In addition to a performance review panel, we have Policy Panels. Performance review is backward looking. Policy Panels look ahead. They are free-standing and intended to have short lives. They are set up to do a quick short-term job on an issue of current concern. Beyond these, our review system is predominantly strategically-orientated and looks at policy attainment for the Service Committees, some of the policies having emerged from the Policy Panels.
- 17. How would you describe your councils budgetary process? (e.g. zero-based, incremental)**  
 Currently we operate incremental budgeting but we are about to devolve budgets which is being perceived to be a bit contentious. We are adopting this stance because if you are worried about policy being controlled at the centre and so you introduce a mechanism to devolve responsibility for policy and its attainment, you have to devolve the resources to go with it. Ultimately this should lead to policy-based finance decisions as opposed to finance-led policy decisions.

- 18. How is the PR system linked to the budgetary process?**  
 There will be no formal linkage but the devolving of budgets should prove a sufficient mechanism for ensuring that the results of the review process are considered in the context of budgeting. Or more significantly, budgetary decisions reflect the outcomes of performance review. If something isn't working, is it still to receive financial support.
- 19. Is the PR system linked to performance appraisal and/or performance-related pay?**  
 We do not have performance related pay in Hertfordshire but we do have performance related contracts. We have performance management for all our senior managers and cascading down through their departments as our knowledge increases and we become more expert at it. Shortly there will be business plans in place for all departments which have group performance elements in them and which will have performance indicators.

## **SECTION D GENERAL VIEWS OF SYSTEM**

- 1. Do you consider the current institutional arrangements relating to performance review satisfactory?**  
 I think we are too early into the system to pass judgement on this. Departments seem fairly satisfied or they're not screaming yet about increased workloads.
- 2. Have any major changes been made to the PR system since its introduction?**  
 The PR system is still evolving but we have introduced a few changes to streamline its operation as our expertise has increased. It was always our intention to let the PR system grow gradually as officers and members became familiar with and accepted its purpose. Policy targets and performance indicators is the current focus of developmental activity.
- 3. Have there been any significant changes in the organisation of your authority since the PR system was established and did the system cope and do you think it could cope with significant organisational changes?**  
 At the time the PR system was introduced, the authority underwent massive change particularly in committee structure, part of which was the establishment of the Review Panels. Some minor adjustments have been made here and there, particularly in respect of which areas fall under which committees but nothing major. I think review is increasingly valued here and probably could withstand significant change naturally depending on the nature of the change.
- 4. What do you consider to be the main strengths of the PR system?**  
 If you can get it working properly, its main strength has to be continuous organisation improvement. I think it is gradually changing the role of the members in Hertfordshire and forcing them to become policy-orientated and ultimately this must be to the good of our customers.

**5. What do you consider to be the main weaknesses of the PR system?**

I think some of our members feel insecure about not receiving tons of data on performance and I think we are at risk of succumbing to pressure and becoming paper-driven in our approach to review. If this happens, I think it will become a mundane exercise and achieve nothing. I think they have struggled with a role which really is about testing things intellectually as opposed to mechanically. I appear to be criticising our members heavily but it is not intentional. It is just that our system is driven by their input which is why I am focusing in on their involvement.

**6. On the whole, do you consider performance review to have been successful?**

I don't think it has been successful yet but that we have made progress in the right direction. Those officers and members that think it is working, think it is a wonderfully powerful tool but in order to be successful that core group of believers needs to be widened. I suppose it has changed some of the things that we do and the way that we do them and has required officers to be more explicit about what they think the policies are that they are responsible for delivering and thus members have had to clarify what their policies are. This is quite a significant achievement but needs to be sustained and built upon.

**7. What are the most important future developments you would like to see in relation to performance review?**

Keeping review fresh will be a challenge. Organisations and their environments are continually changing and how we operate review must be responsive to this turbulence. I very much believe that the most effective form of scrutiny is the scrutiny which you impose on yourself. Ideally, service committees could objectively review themselves but we are a long way from that which is why I think that Review Panels, some of whose members are on the service committee and thus have the requisite knowledge base, is an appropriate way ahead. To be effective, the service committees must come to value the opinion of the review panels and they gradually feed off one another and get locked into a cycle of self-improvement.

By being clearer about what you set out to do and whether you've achieved it, arguably you are better placed to make decisions about your policies in the future. I think we need to raise the profile of performance review even further and make those involved in its operation feel that they are making an important and worthwhile contribution. I think we need to do more training/workshops with members to enhance their understanding of the process.

I think that the lead officers still require some training, particularly to ensure consistency of approach. Some of the Review Panels are less disciplined than others. Whilst not wishing to stifle innovation, I think we need to be sending a common message. I suppose it is natural given that we are in the experimental phase but I would like to see a more structured approach.

**QUESTIONNAIRE FOR RULING GROUP MEMBER**  
**Councillor Robert Gordon, Leader of the Conservative Group and**  
**Chairman of the Education Committee**

1. **Which party has overall political control in your council?**  
 The Conservatives with a good workable majority.
  
2. **What is the political balance of your council?**

Conservatives	45
Labour	27
Social Liberal Democrats	5
  
3. **Was your political party in power at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
 The system emerged from a fundamental review of the Council undertaken by independent consultants. We initiated this process and were involved in the review every step of the way. The review system which has emerged in the form of Review Panels, does therefore have our full backing. The new structure has only recently been introduced so there has been no opportunity for a change of heart but I think that this would be unlikely.
  
4. **Which committee has responsibility for the PR process?**  
 The system here is operated differently. We have five main committees; Policy, Police, Education, Social Services and Environment some of which also have operational or statutory appeals sub-committees. A Performance Review Panel is attached to each of these committees to scrutinise what the committee does and to report on the impact of the relevant activities and to question whether this was what was intended. There are also issue-orientated, short-term Policy Panels incorporated into the Committee structure. I suppose therefore, all committees have a performance review dimension.
  
5. **Were members involved in the development of the PR process?**  
 Through the major review which was undertaken. Several different models were batted about such as allowing opposition members to chair the Review Panels etc. so what has emerged does fully reflect what we perceived to be useful. I suspect that some officers feel that there should have been more officer involvement in the design of the system but the review was instigated to address member input into the organisation and to have significantly incorporated officers attitudes in an organisation as large as this, would have been nearly impossible.
  
6. **What part do you personally play in the PR process?**  
 I am Deputy Leader of the Council and Leader of the Conservative Group. I have therefore been a key player in the design of the new committee structure through contributing significantly to the review. I am Chair of the Education Committee and thus I am only directly involved in performance review to the extent that my committee has a Review Panel. As you will be aware, the Chair of the Service Committees cannot sit on the associated Review Panel.
  
7. **What part does the majority group play in the PR process?**

The review process is the Review Panels so involvement comes through members sitting on these. The majority group holds the Chairmanship of all the Panels and Committees and it is generally to them that the policy orientation which is needed for review to be activated, must come.

8. **How are your Council's political objectives determined?**  
 Whilst loathsome to admit it, most of our policies are inherited and only change very gradually - I suppose they are incremental. Occasionally, we have to react to a particular circumstance or event and a new policy will emerge. Establishing corporate principles has been good for helping us focus on what we as an administration want to do and the whole new approach being introduced should help us as a political group determine clear policies. Ultimately however, we are accountable to the residents of Hertfordshire and there is little evidence to suggest that they are unhappy with what we have done to date. We do also have a Policy Committee which debates policies for the Council. Whilst influenced by national Conservative thinking, we do not receive any edicts from Central Office about what we are doing.
  
9. **How are these incorporated into the PR system?**  
 The Review Panels look at what has been achieved and can ask Service Committees whether that is what they were anticipating. Some policies are so long term and vague that such a link may be more difficult to make. Hopefully, in time, the policies will become more clear and this should strengthen our power as a political organisation.
  
10. **Has the PR system helped your administration achieve its objectives?**  
 It really is far too early to make any judgement on this particular matter. I hope that in time it will but for this to happen, we as a group would have to be much clearer about what we wanted to achieve. At the moment our policies lack the clarity for it to be clear whether they had been achieved or not.
  
11. **Does the majority group and/or the minority group use the PR process for political purposes?**  
 The system does not really lend itself to that sort of purpose although the system which we had before which was much more focused on operational information, probably gave the opposition more ammunition than the new process. What the review process and the whole new committee structure should do is make us a much more effective political group. Management is the job of officers - it is our responsibility to set the policies which are to be implemented and to ensure that the expected outcomes emerge. This system should give us the mechanism for doing this.
  
12. **How does the PR system relate to the policy planning process?**  
 It doesn't directly because we don't have a policy planning process as such. In time, the system will help monitor that policies are being implemented and what the outcome of the policy as implemented is and should recommend corrective action if the two do not correspond.
  
13. **How does the PR system relate to the budgetary process?**

It does not and it would be difficult to envisage how the system as we operate it could be related to budgets. An organisation as large as this really has to operate incremental budgeting since turmoil would create chaos. We roll forward the base budget every year with a small level of decisions taken about the margins. This will clearly need to be something we have to address in the future since our budget is completely divorced from our corporate principles.

**14. How have directors of service departments, directors of technical departments and the chief executive, related to the PR process?**

Chief officers responses vary although I think all have signed up to the review and its findings. A few may perceive it as an attack on their management but I think that most see that it should give them clearer direction from members. The chief executive arrived towards the end of the review process and did influence the final specifications of the committee structures and is I consider, supportive of the approach being followed.

**15. What do you regard as the main strengths of the PR process?**

Members through its operation should become an effective political organisation and leave management to managers. The emphasis should shift to policies and outcomes and this must be a great improvement. We now have a framework which allows us to easily move away from the operational issues to more strategic considerations and that in itself is major progress even though it will take the members some time to feel comfortable with this new role which after all they defined for themselves. We are moving in the right direction but it is like turning the Queen Mary around. We have to take the time to do this properly and not feel rushed or pressurised.

**16. What do you regard as its main weaknesses?**

The greatest weakness is the difficulty of the long time frame. As we have approached becoming more strategic, the results will take a long time to feed through but there is likely to be some rumblings about lack of progress when these are not fairly immediate. To be successful, we must enact a significant cultural change and this does take time. I suppose I am concerned about the calibre of members to serve on the Review Panels. There is still much greater kudos attached to being a service committee chair or vice-chair than to being chairman of the Review Panel. Some members have turned down the opportunity to serve on Panels preferring a back seat on principal committees. Whilst this continues, the Review Panels are not being given the best start or chance of success. This problem is less acute with opposition members who consider that the relative informality of the Review Panels will give them more of an opportunity to influence how things go.

**17. What are the most important future developments you would like to see in relation to performance review?**

I would like to see councillors understanding the role of the Review Panels much more and seeking a place on them rather than the currently dominant service committees. I also think that we as an administration have to tighten up the clarity of vision and expression in our policy so that their implementation and the effect of their implementation can be reviewed. This will take time but we will have to make an effort in this direction. I suppose I want members to clearly grasp what is involved and to remain committed to the approach which was designed to match our needs. We must not lose sight of why we adopted the approach that we did which was to put the emphasis on policy formation.

**QUESTIONNAIRE FOR SERVICE DEPARTMENT DIRECTOR  
NICK CULL - Director of Trading Standards**

1. **Which department are you the director of?**  
Trading Standards but I'm the Lead Officer of the Environment Performance Review Panel and I assume that is why I am being interviewed. I am a tiny cog in this large organisation - Trading Standards is a relatively small department.
  
2. **Were you the director at the time the PR system was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
Performance review is only in the early stages of being introduced in this authority. We have only really set the framework in place namely the Review Panels and are beginning to learn how these will operate in practice basically through doing. It is not really a matter of me being personally in favour of its introduction. The Council commissioned a review to consider how best to streamline member input and involvement and the review system in the form of Review Panels emerged. I am certainly in favour of giving the system time to see if member input to the authority is rationalised. I believe these things should be approached pragmatically and that the ultimate solution should not be sought in one swoop. What we have done is implement the first stage and then we will move slowly forward hopefully with officers and members working partnership. I am in favour of proceeding in this relatively cautious way rather than searching for an overnight solution or of putting a mechanism in place which allows officers to do members jobs for them. I think we have introduced a system which will forge essential officer and member partnership - it is up to us to make it work.
  
3. **How were the policy targets set for your department and who set them?**  
The Policy Panel sets the policy agenda for my department but policy targets are not generally a feature. Monitoring performance in relation to a policy falls to the relevant Performance Review Panel. This prevents managers from working to deliver a target at the expense of doing other untargeted things.
  
4. **How were performance measures set for your department and who set them?**  
Performance measures again fall to the Performance Review Panel to be determined. Through this forum, we have facilitated members to generate indicators and measure which actually tell them something which they want to know rather than what they think they ought to know. This takes time and sometimes feels frustrating but is likely to be considerably more beneficial and sustainable in the long term. Once the indicators are set for the areas, we will look at the Charter indicators produced by the Audit Commission but whilst recognising that these have to be produced, they are devoid of contextual information and it is likely that the policy dimension will be ignored so I would encourage members to concentrate on our own indicators rather than focusing on those of the Audit Commission. I do use performance indicators and other management statistics in the routine management of my department but these are entirely at my discretion and normally emerge from trends. For example, if I observe that a particular activity is down or significantly up on a previous year I would question why this has occurred - that is also performance review but of a different type.



- 5. To what extent were you included/consulted in designing and developing the system for your department?**  
 The review system operated at Hertfordshire has emerged from the review of the organisation undertaken by Kinsley Lord and apart from a very small number of key officers making a relatively small amount of officer input into the Review which was actually concentrated on the role of members in the Council, officers were not involved in the design of the system. However, as a Lead Officer on a Review Panel. I can guide the members of that Panel in how to proceed in operating performance review within the structure. However, if they had differing and strong views about doing it differently, I have no jurisdiction over how they proceed.
- 6. Do you feel that the PR process has contributed to the achievement of departmental goals?**  
 I think it will make a difference in time but it is likely to be long time before that sort of effect feeds through. Performance review at Hertfordshire is not about departmental goals but rather about the performance of the whole organisation. I would like to think that there was enough confidence in management to allow departments to pursue achievement of departmental goals independently.
- 7. Has the system identified any specific training needs for your department and have these been addressed?**  
 This question was considered irrelevant given the type of review system in place but the interviewee indicated that he was given some training in the performance review approach being introduced because he is a Lead Officer
- 8. Is there any mechanism for communicating knowledge of process and performance targets to junior management and operative grade staff and obtaining feedback from these groups?**  
 All staff in my department are aware of what performance I expect of them. They are also kept informed of the activities of the Policy Panel, the Performance Review Panel and indeed the Service Committee but targets are not set for them to pursue because if they are not achieved then a feeling of failing might ensue. I do not think that that is good management. I think trust and a degree of independence normally instils loyalty and good performance. We do have performance appraisal so there is an opportunity for a two-way communication on performance.
- 9. How has the review system affected your department?**  
 As yet, not significantly because the Review Panel is fairly early in its development. I hope that in turn, the combination of Policy and Performance Review Panels will give us a very clear indication of what members want to see happening in terms of this service area and to what standard.
- 10. Has the review system contributed to the achievement of corporate goals?**  
 Hertfordshire doesn't have corporate goals but rather four corporate principals. The new culture being introduced in the organisation should help these principals be concentrated upon but more significantly, the new system of operating, including the review process through Panels should make sure that all the bits of this large organisation pull in the same direction and are looking at the same distant horizon.

**11. Do you have any views on the capability of the review team?**

This question was not relevant given the system in operation but the interviewee indicated that he felt that the training he had been given was appropriate and well delivered and that employees and members were kept well informed of developments through the newsletter Performance Review News.

**12. Do you believe that performance review as operated in this authority is a genuine attempt to improve performance? Do you see any other implication?**

I think that it can be and in time, the review system we operate will promote and provoke the relevant questions and I think that this is about improving organisational performance. For performance to be improved, there has got to be an effective partnership between officers and members and they must share a common goal. Our review structure is about addressing the weakness we had in this area namely, the preoccupation with members about the nitty gritty organisational detail rather than the broad overall perspective. The system we operate certainly is not about central control or any other hidden agenda that I am aware of. I think its introduction was about getting members to do more of what was required for the challenges ahead for local government but this was so that the organisation as a whole performed as best it can. It certainly is not about bumping up performance in relation to a set of cosmetic indicators.

**13. Is your reaction typical of departmental directors?**

I think most chief officers are supportive of the principal and the concept of reviewing policy performance and I think that the practice to date gives officers little to grumble about because it is member driven. Officers will however become restless I think if the review system and the new committee structure does not change, albeit slowly, the role which members play in the council. I actually think that down the line when officers find that review pushes them out of the driving seat and members do control strategy on their departments more, they are likely to become a little more resistant or down on the process. However, I would expect this change to take place so slowly and transiently that it will not be noticed as such. Some of my colleagues are concerned about certain service areas which are more difficult to look at the performance of, such as some areas of social services for example. If we end up with an indicators mentality then this could cause serious problems in these more qualitative pockets. I don't think that that will happen but it is a concern founded on experiences of other councils. I am also doubtful of the extent of unmeasurability that is proposed. While you may need to employ different strategies to collect information, I think that if officers wanted to measure something say about the quality of a service, then they would find a way.

**14. What do you regard as the main strengths of the system?**

I think the way we have approached the process of change means that it is likely that what has emerged does address our needs. We have not just introduced a system which say the chief executive thought would be a good idea. Members were extensively consulted about what should be put in place and the structure that has emerged fully reflects their perceived needs. They should therefore feel ownership and commitment a factor which I know is lacking in other approaches. There is also a lack of pressure to change things overnight and this should allow members and the officers who are involved to feel their way through the process at their own pace and get it delivering what they want, not what someone isolated from it perceives should emerge from a review system. The gradual nature of the system also allows an organisation such as this whose core business is actually delivering services to continue operating with minimal disruption. The system fosters partnership between officers and members. Some of the systems in operation in other councils where members set targets and officers have to perform put barriers between these two groups. If officers and members can't work collaboratively then this will be very serious for local government. Our system prevents conflict and confrontation and encourages joint growing and learning. We have prevented introducing a number-driven performance review system which I think does not really improve performance in any meaningful sense.

**15. What do you regard as its main weaknesses?**

The main weakness is likely to be the time factor. The way we have approached things is in my view appropriate but it is likely that the benefits will take a very long time to become apparent, years rather than months. I think there will be many, particularly on the member side, who would expect more rapid and transparent results and are likely to get frustrated and question the approach if things are not emerging within a much shorter period. I hope that they recognise that to push things would undermine the whole system. I also am uncertain whether we have sufficient members actually up to the task, that are sufficiently clued up to understand what is being tried for. I also think that down the line members will find themselves performed into a policy corner. Once policies are set then they need to be delivered and if the policy has been ill conceived in the first place then there will probably be difficulties the blame for which will land at the members door.

**16. What future developments would you like to see in relation to performance review?**

I would like to see the system given time and space to develop unhurriedly. I would also hope to see the authority as a whole not changing course because of the Audit Commission indicators which really are meaningless ignoring environmental and policy differences. However, if there are to be inter-authority comparisons, then the temptation to focus attention on these is undoubtedly strong. I think members have to be consistently and continually supported. In the past it has been easier for them to focus on the operational, the small scale details and the short term. We are asking them to become strategic, to look at the overall picture and to set policy direction for this large organisation, within that. This is a big step for them to make and they need to feel that it is okay to take time to bridge the enormous gulf between the two. Officers need to give them the room and the encouragement to do this and to do it with dignity. Given time, the system will evolve to match the organisations needs which will also change - who knows what is round the corner for local government. Along way down the line, I would like to see a linkage developed with the budgetary system but this is likely to not be fully supported by officers.

## **QUESTIONNAIRE FOR CHIEF EXECUTIVE - BRIAN BRISCOE**

### **SECTION A ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

- 1. Were you the Chief Executive at the time the PR system was being established and were you or would you have been, in support of its introduction?**

The Management Review conducted by Kinsley in early 1990, led the then Chief Executive to take early retirement. This left a vacancy which I was happy to fill. I arrived in the middle of the consultants programme of work and the findings of the review were reported to committee a week after I had arrived. I had however been involved for the three months I worked my notice at Kent. The shape of the final document and thus the review system introduced here does reflect my understanding, knowledge and disposition. The review arrangements proposed are something I am heavily identified with and I am very much in favour of this vehicle because I see performance review as a way of redefining the proper political role for members. I consider them to have three roles: policy; measuring performance; and constituency representation. In terms of performance review, what you ought to be measuring is not the performance of individuals within the organisation (that is a managerial task) but the performance of your policies on the ground - what is the outcome?

- 2. Is the current PR system an enhanced/modified version of a previous review system?**

Although Hertfordshire had a review system prior to this, the current process bears little relation to it and was designed to take us in a new direction and has a different function than its predecessor.

- 3. What role did you play in the development of the PR system?**

I input my views to the consultants on what role a review system should have and the direction which I intended to take this authority in.

- 4. Were departments co-operative, generally, and with each other, in setting up the PR process?**

Very little resistance was encountered to the principle of performance review that I am aware of. There may have been more opposition to the practice because it impinges on workloads and work practices, but all senior officers seemed responsive to the concept of review. This may however be because it was part of a package of change.

- 5. Were any cost-benefit studies of the PR system carried out prior to its establishment?**

The cost associated with undertaking and implementing a major management review will undoubtedly have been the subject of major debate before I came here. However, I would be surprised if a cost-benefit exercise had been carried out since Hertfordshire was fundamentally looking at becoming an effective organisation -it was not about saving money.

- 6. Did the process of setting up the PR system cause the authority to focus on the objectives of services and did this lead to a reappraisal of the service and/or a redefinition of the customer?**  
 We spent a long time prior to introducing review discussing openness and cultural change etc. with the intention of shifting focus directly on to the objectives of service. It is really too early to conclude how successful this has been but I personally don't think we've done enough. Cultural changes take a long time to emerge particularly when normal daily business is occurring. We still have services to deliver. The pace of organisational change is rapid here and I think policy performance review has been an important element in keeping us focused on our purpose. We are certainly more customer-orientated than before. Previously a customer complaining was just a nuisance. Now we listen and make reasonable judgements and hope that they feel they have been treated properly. Our review system has certainly contributed to that shift but is not responsible in isolation.
- 7. Were any major difficulties encountered in setting up the system?**  
 I think a big distinction can be drawn between performance review in the member arena, policy performance review and the measurement of performance of individuals inside the organisation. It took some time to get that distinction recognised by our officers and members so that it was clear what roles each had to play in the new system. The biggest problem was convincing people that it was actually different and that they would have the opportunity to contribute to it being different. The package of changes helped overcome this problem but there was some feeling of this being the vogue initiative particularly from the members. I think our commitment to this process was underestimated. Against this backdrop, changing people's attitudes and getting them to take ownership and responsibility was problematic but we have been fairly successful in making progress on this front.

## **SECTION B**

### **THE PERFORMANCE REVIEW SYSTEM**

- 1. How does performance review fit into the corporate management structure?**  
 Our review system is committee-based not corporate-orientated. Officers are there to support not drive the system. It does not therefore sit within the corporate structure. A lead officer is identified to work collaboratively with each Review Panel and other officers are drafted in as demanded.
- 2. What responsibilities do you have for its operation?**  
 I have responsibility for making sure that all my officers support the Review Panels appropriately.
- 3. Is there any mechanism incorporated into the PR system for communicating knowledge of process and performance targets to junior management or operative grade staff?**  
 The review process is about policy attainment and I suspect that our more junior staff get a lot more operational information than information about policy progress. Ultimately, this is at the discretion of senior management and the lead officers communication skills.

4. **Are consumer measures identified within the system and if so were the views of consumers sought before the system was drawn up?**  
 The system is not indicator-based. Some Review Panels are better than others at taking on board consumer views and adopting a customer perspective. I think we would seek to move towards a position where the customer was given a high priority everywhere.
  
5. **Are any measures of quality incorporated into the system?**  
 We are looking at establishing Quality Panels which will focus on the quality of services delivered, independent of the Review Panels. Currently, quality is more a managerial issue since it relates to the service delivered not policies but central government is placing so much emphasis on quality that I think eventually, policy decisions will be taken about the level of service quality.
  
6. **Does your PR system operate across all the departments in your authority? If not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?**  
 All our departments are subsumed under 1 of the 5 Standing Committees and therefore will have an associated Review Panel. I find it difficult to envisage how performance review could operate effectively long-term in only one part of an organisation.
  
7. **How does your PR system cope with conflicting and multiple objectives?**  
 Trade-offs are the norm within local government, particularly between cost and delivering services. Committees are there to make decisions relating such conflicts and to decide how to walk the finely balanced tight-rope of constrained budgeting. However, once decisions have been reached and policies made, the review system will monitor whether the policies are achieved.
  
8. **Is the PR system linked to performance appraisal and/or performance related pay?**  
 I have worked with performance related pay before and I think it rewards the wrong people. If you want to stimulate performance, it's ground staff who will carry out the bulk of the work but normally the senior managers who will get rewarded. People are not motivated by money, I think, but they are demotivated if they don't get performance bonus. PRP in my experience pulls the wrong way and so I would oppose its introduction to this authority. We do have performance management and staff appraisal but I don't see how you could effectively manage in its absence. Where no pay is involved, it is possible to be more open and practicable.
  
9. **How have directors responded to the PR system? Have directors of technical departments responded differently to directors of service departments?**  
 All directors have responded well to our review system. Directors of service departments are more aware I think, of the potential offered in forcing members to be more specific in policy-making although a couple resent this since they like being in the driving seat.

## **SECTION C CORPORATE AND GENERAL ISSUES**

**1. Is any provision made for monitoring and appraising tasks which are not incorporated into the PR system? Has the workforce's perception and performance in relation to these tasks been altered?**  
This question was considered irrelevant given the type of system Hertfordshire had.

**2. Has the introduction of the system been associated with any changes in corporate values/culture (e.g. more customer orientated)?**

It is very difficult to judge this. We have certainly changed a lot of our style and practice but whether the underlying philosophy has altered is more debatable, but I think we have made inroads. Keeping the corporate message constant is certainly complicated by financial pressure. We have been fairly fortunate of late in not having to slash budgets but if we were to I could see all the good achieved since the Management Review undone.

**3. Do you feel that the system has contributed significantly towards achieving:**

- a corporate management perspective?
- corporate goals?

We don't have corporate goals but rather corporate principals. I think the review process has given us more of a corporate perspective and will do so increasingly with time since our policies will be more clearly delineated.

**4. Has the PR system identified any training needs either in relation to its operation or as a consequence of its establishment?**

The whole Management Review identified a few areas where training was required. In relation to performance review, the lead officers associated with the Review Panels have received training on the operation of these as have the review officers. The operation of the Panels has led to relatively junior management having to deal with politicians and we have had to train them to have the necessary skills to deal with members.

**5. Have any major changes been made to the PR system since its introduction?**

There have been no major changes but a whole series of minor developments since the system was first set up. I expect this trend to continue and for us to focus-in on certain developments at any one time.

**6. Have there been any significant changes in the organisation of your authority since the PR system was introduced? If yes, were these the result of the system operating and did the review process cope with the change?**

There have been no significant changes since we had our major overhaul.

- 7. Do you consider the PR system to be dynamic that is, adaptable to changing circumstances?**  
 Constant change is the theme in this authority so we have set up a system which will thrive on turbulence. Realistically, I don't think review has embedded the organisation sufficiently that it could withstand anything. I feel that officers and myself are still providing the momentum. If it were removed, I'm not sure the members would continue to operate it.
- 8. Has the system encountered any major problems or difficulties in operation?**  
 There have been lots of minor difficulties particularly in terms of responsibilities and members understanding and often feel it has been an uphill struggle to get us to where we are now.
- 9. On the whole do you consider the PR system to be successful?**  
 I think there are elements which are successful and there are some which are not. The way we do things in Hertfordshire owes a lot to tradition and experience and I think the new system has challenged some of these traditions. Officers and members definitely work more effectively together now and that is a major achievement in my book. What we have done has not been 100% successful and much of the failings are attributable to personalities, but it certainly has sown the seeds of success in the future.
- 10. What do you consider to be the main strengths of the PR process?**  
 For the more able members, both in the controlling group and in opposition, there are now more opportunities to be more effective in shaping the organisation than ever before. I think it has given members a constructive forum for criticism. Previously, critical comments were perceived as a direct attack on officers whereas now when things aren't going well, part of the blame goes to members. I think chief officers can pin down policies better and translate this into services.
- 11. What do you consider to be the main weaknesses of the PR system?**  
 People are the biggest weakness. They have motivations which are not necessarily in accord with improving organisation performance. Additionally, we have drawn a notional line between scrutinising the performance of managers and scrutinising the performance of policies. If a policy is not having the desired impact, it may be because it is being poorly implemented or it may be because it is an ill-conceived policy. It is a convenient line to draw but not altogether appropriate and I think in time we will run into problems in this domain.
- 12. What are the most important future developments you would like to see in relation to performance review?**  
 We haven't made the progress I would like to have seen on the policy targets and performance indicators front and I think that this is hampering the effectiveness of performance review. I think this must be given a high priority now to sustain the process and will concentrate on making these meaningful to customers. Our members are our biggest resource and I think the type of review system we have introduced here has given them the equipment and vocabulary to be utilised; to direct their organisation. I would like to see this member potential realised.



We have had a review of the new management arrangements and this suggested that we should put more resources into performance review. In particular, members need more central support in review or at least to feel that they are more supported. The risk is that the centre takes over. Ideally, it is only lubricating the process. I would like to see policies framed more coherently from members.

I think we need to continually monitor the effectiveness of performance review. We spend an awful lot of other people's money and performance review should ensure that we maximise the impact of this expenditure. If it isn't doing that then we change the system.

I would like to see the Review Panels being given better quality members. Currently they are the poor relation to the Standing Committees and a place for relatively junior members. I would like to see this emphasis change substantially.

**QUESTIONNAIRE FOR OPPOSITION LEADERS**  
**Councillor John Metcalf, Labour Group Leader**

- 1. Was you political party in opposition at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**

We were in opposition but to be honest we were not enough in the picture to know what was happening. The decision to appoint consultants and initiate a fundamental review of Council activities was taken without consultation with the opposition. This makes it difficult for us to support what has emerged even though I believe some of the new structure may have something to offer to the authority. Our non-involvement was a mistake. Should the authority become hung again in the future, it would have been better that the structure that had been put in place was one that we could all work with. We may have different political beliefs than the Conservatives but we still want the best for the Hertfordshire people.
- 2. Were opposition members involved in the development of the PR process?**

Opposition members were consulted to a limited degree by those doing the review and I can see some of what we suggested has emerged. However, we could have been involved much more.
- 3. What part do you personally play in the PR process?**

I do not sit on any of the Review Panels but as Leader of the Labour Group, I consult with my Group and determine which Labour members will sit on which Review Panel. I have to say that two of my members who have been on Panels have come off feeling that it was a waste of time and that little was going to be achieved because there was a lack of coherent policies to work with. I have had difficulty persuading our better members to consider having or retaining a role on the Review Panels and I know that this is also the case for the Conservatives since all their front-line councillors are chairs and vice-chairs of the service committees.
- 4. What part does the minority group play in the PR process?**

We have representation on the Review Panels in proportion to our political numbers. This is also the role played by the majority group. We have more vociferous and politically analytical members than the Conservatives and I think they would be frightened to let us get too involved.
- 5. Has performance review contributed to making your group a more effective opposition?**

Not the way it has been implemented in this council. I don't really see how it could. Some clarification of policy would help us in this respect and this is a necessary pre-requisite for the new structure to make any difference. I don't think that such clarification will come easily to the current administration. The policies, if they can be called that, have been vague for years and seem to be getting less precise rather than clearer. When the Council was hung, all the policy direction came from ourselves. Review should help strengthen the opposition by making it explicit what is happening so that we can latch on and highlight deficiencies. Our way of doing review does not allow that to happen.

6. **How is your political agenda set?**  
 We meet between committee cycles to discuss what is going on and we have a rolling election programme. We could be much tighter as a group on this front but it is quite difficult when you are in opposition to see the point.
  
7. **Does the minority group and/or the majority group use the PR process for party political purposes?**  
 The system in place does not lend itself to this. I don't think that the Conservatives would know how to use it politically. I might be wrong. There may be some much more devious plot in the offing which I just can't see but I doubt it. We would like it to give us information to use politically but it does not and there is very little we can do about it.
  
8. **How does the PR system relate to the policy planning process?**  
 The determination of policies is effectively devolved to the Committees. Although we have something called a Policy Committee which does some corporate things, policies in relation to specific service areas emerge from the Service Committees. I suppose theoretically, the Performance Review Panel should then look to see if that policy has been achieved etc. but I don't think the policies are normally clear or specific enough to allow that to occur.
  
9. **How does the PR system relate to the budgetary process?**  
 The budgetary process in this authority is a closed shop as far as we are concerned. The Conservatives make the decisions on the budgets and we are informed shortly before the committee meeting what the outcome is. There is thus no linkage between policies and the budgets and performance review and the budget. We are still making finance-led policy decisions and this has nothing to do with performance or priorities.
  
10. **How have directors of service department, directors of technical departments and the chief executive, related to the PR process?**  
 So far, the new structure has not impacted on officers and therefore I don't think they will have any strong views. They will only react when it interferes with their operations. I suppose that directors should feel a little threatened since potentially it could expose all sorts of things but I'm sure they doubt the adequacy of the system to deliver that sort of effect. They are still likely to retain a high level of influence over strategic direction and thus are probably supportive.
  
11. **What do you regard as the main strengths of the PR process?**  
 I suppose that it should make all members think when they propose a policy, how do we measure when the policy has been achieved and how successful has it been. This in itself should erode some of the complacency which abounds in this authority and I suppose a very gradual process of changing attitudes may occur.
  
12. **What do you regard as its main weaknesses?**  
 I think we have wasted an opportunity. Performance review should be a good thing but not the way we are doing it here. It does not address the underlying problem which is complacency and a lack of clear policies. The system is really just a framework and is unlikely to change the way things are done

**13. What are the most important future developments you would like to see in relation to performance review?**

To be honest I don't think that the current system will survive because I think it will achieve too little over too long a time period. This is particularly so whilst the Panels cannot attract the better calibre members. Members from all the parties on the whole seem indifferent to performance and the new structure. I don't sense commitment and this does beg the question why bother. The case for performance review has not really been made. If it is too stay then I think the biggest tightening up must be a clarification of policies.

**14. If the opposition group came to power at the next election would you operate the PR process differently?**

If we were in power the policies would be clear and so there would be less of a problem with the existing system. I think we would need to think carefully about the role which performance should and could take and how best this could be achieved. The current system entirely ignores the performance of officers in implementing policies and this needs to be addressed since this is a significant aspect of the performance of Hertfordshire County Council. The electorate and our customers have largely been ignored and I think I would like to see a survey of their views undertaken also encompassing non-users. We are not performing for ourselves but for them so it is only right and proper that we consult them about their views.

**APPENDIX 8.12: FOLLOW-UP LETTER TO HERTFORDSHIRE COUNTY COUNCIL**

3 July 1992

Kay Hopwood  
Chief Executive's Office  
Hertfordshire County Council  
County Hall  
Hertford  
SG13 8DE

Dear Kay,

Thank you very much for your hospitality last week - especially the lift to the airport. I thoroughly enjoyed my visit to Hertfordshire and the project has benefitted greatly from drawing on the experiences of your authority.

As intimated on my departure, I think Hertfordshire have a few problems to be addressed before the review process can function optimally :

- there is a lack of clear, coherent policies from the ruling group. It is difficult to assess how far the activities of an authority are advancing it towards the achievement of goals, if it is unclear what the goals are. Comprehensive objectives and a clear statement of policy aims are a necessity for next year's incoming administration;
- members regard performance review as a peripheral function and thus a low priority is given to membership of the review panels. Whilst this continues, the panels will be peripheral - the poor relation of the service committees. Members do not really seem to understand the role of the review panels. Perhaps if this were fully explained to them, they would realise the potential power that the panels have and would be clamouring to join;

- Hertfordshire's approach to performance review demands considerable input from members. Even if they conceptually understood performance review and there is little evidence to suggest that this is the case, the panels require considerable time commitment from members many of whom are unwilling and/or unable to make such a commitment. If there were only one review panel then it might be possible to find sufficient calibre members with the necessary available time to take posts but the current structure demands too much;
  
- a mechanism for communicating operational performance to review panels and service committees on at least an annual basis would be useful. Members would be more aware of the processes involved in delivering services after the decision-making stage and it would also put concern with performance more clearly on their agenda. Steps would have to be taken to ensure that they do not become preoccupied with the tangible day-to-day measures at the expense of more strategic matters.

I hope this has given you some food for thought and if I can be of any further assistance to you and Hertfordshire County Council then please do not hesitate to get in touch.

I enclose details of the PPRN Conference as discussed and hope to see you in York when I'm sure congratulations and a celebratory drink will be in order for your MBA.

Yours sincerely

Claire Monaghan  
Research Fellow

**APPENDIX 8.13: HERTFORDSHIRE'S  
REPLY TO FOLLOW-UP LETTER**



**Chief Executive**

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Telephone: 0992 555606  
Contact : Kay Hopwood  
My ref : KH/JH  
Your ref :  
Date : 15 July 1992

Dear Claire,

Thank you for your letters, to me and to the others you saw on your visit to Hertfordshire. It was good of you to take the time to write so fully. I do appreciate the points you raised in your letter to me: you have touched on issues which are very much of current concern (and, we hope, action).

**- Strengthening the Policy Processes**

Members are aware of the need for a clearer policy framework. This is one of the fundamental issues being addressed in the Medium Term Planning Process and we expect a clear policy lead with a clear view on priorities from work currently being undertaken. Policy Panels, set up to deliver in-depth analysis and valuation of policy considerations, are expected to play a significant part in the policy formulation process. During the final year of the new streamlined constituted arrangements, 27 panels have been established to specify policy on topics ranging from enabling, environmental strategy, community information, structure plan, transport policy, special educational needs, local management of schools, post-16 education, strategic plan for further and higher education, Children Act, transfer of residential care, to investment and Europe. All panels have a clear remit and lifespan and consider defined items for reporting to committees. The achievements of the final year of this process is currently under review.

**- Performance Review**

You will see from the attached newsheet, currently being circulated to all members, that the Member Implementation Group has made suggestions for helping the 'powerful machine' that performance review can be to 'flex its muscles' and improve its performance. We shall be holding another seminar for Members in September on the role of performance review to address the need for more understanding of the potential of the process.

Chief Executive, Brian Briscoe

**- Member Input**

You are quite right in saying that our system requires considerable commitment from Members, but we cannot share your view that the current structure demands too much of our Members. Members themselves, when reviewing performance review (again 1 year after the new system was introduced) felt that the original objectives of trying to get self scrutiny by services via their own performance review panel (as opposed to one centrally controlled performance review exercise) was still valid and worth trying to achieve. We are aware of the pressures though, and are currently looking at ways to provide extra support and information.

**- Performance**

We expect to strengthen our reporting mechanisms - Performance Review feedback by Panel Chairmen will be a regular standing item on service committees. A proper programme of performance indicators with annual reporting is being developed.

I am glad you enjoyed your visit to Hertfordshire. I was very pleased to meet you and to hear your experiences with this research. Sadly, I will not be able to attend the PPRN Conference in York and will miss what looks to be a most stimulating programme. I look forward to seeing the fruits of all your labours.

Please let me know if we can help further in any way.

Yours sincerely,



Kay Hopwood



## APPENDIX 8.14: CORNWALL'S MEDIUM TERM PLAN FOR EDUCATION

### EDUCATION COMMITTEE

#### MEDIUM TERM PLAN OBJECTIVES AND PRIORITIES

##### 1. INTRODUCTION

The Medium Term Plan for 1992-96 takes account of the many new statutory demands being made upon the Education Service following the Education Reform Act of 1988; and relates these to the Authority's own initiatives, arising from its perceptions of local needs and its tight budgetary constraints.

##### 2. OVERALL AIMS

2.1 The Education Committee has one overriding aim, which is to ensure that children and adults in Cornwall have access to education services of the highest possible quality.

2.2 In pursuit of this aim, the Education Committee will:

- seek to understand and respond to the aspirations which individual parents have for their children;
- set and pursue clear, consistent and achievable objectives for the continuing development of the education service;
- assign clear management responsibility so that headteachers, members and officers can work to agreed goals;
- establish positive and systematic procedures for staff development to benefit from the expertise and potential of all those who work within the service;
- communicate its objectives in simple and straightforward terms to staff of the Authority and the community at large;
- monitor the quality of education provided in schools and colleges.

##### 3. OBJECTIVES

3.1 During the period of the Plan to 1996, to achieve the aims listed above, the Education Committee will pursue the objectives listed in para 3.3 below.

3.2 In 1992/93, it will concentrate particularly on the six priorities agreed at its meeting on 16th July:

- (a) an improvement in the expenditure per pupil to move Cornwall closer to the average of its Audit Family of 17 similar authorities.
- (b) a capital programme appropriate to the need for new and improved educational buildings.
- (c) continued review and improvement of the scheme for the delegation of financial responsibility to institutions, and the maintenance and development of positive relationships with those establishments.

- (d) the provision of advice, support and training opportunities for all schools in relation both to the national curriculum and to the Authority's own curricular policy.
- (e) the redefinition of policies and strategies for Special Education to ensure that the available resources are used to the best possible effect.
- (f) the continuation of the cyclic system of school review.

3.3 The main objectives for 1992/93 will be:-

- 3.3.1 The identification of additional revenue resources, both through an expansion of the base budget and through reallocation of existing funding; a particular target will be to move Cornwall much nearer to the average expenditure per pupil in its Audit Family of 17 similar LEAs.
- 3.3.2 To examine and achieve the best possible use of existing resources and to constantly look for ways of improving the efficiency of the service provided to schools and colleges by all departments of the County Council.
- 3.3.3 The achievement, both through borrowing within DES loan authorisation and through capital receipts, of an increased capital building programme which matches the enormous need for new and improved educational buildings in Cornwall.
- 3.3.4 The consolidation of a new structure for the Education Department, and its continuous review as the responsibilities of the Authority change.
- 3.3.5 The development of positive relationships with all educational institutions.
- 3.3.6 The maintenance and evaluation of a cyclic school review system designed to ensure improvement, demonstrate accountability and recognise achievement.
- 3.3.7 The provision of advice and support to all schools, and training opportunities to all teachers, for (a) the national curriculum and assessment, and (b) curricular aspects in "Completing the Curriculum in Cornish Schools".
- 3.3.8 The response to, and possible implementation of, the changes in post sixteen education proposed in the White Paper, 'Education and Training for the 21st Century'.
- 3.3.9 The revision of the current policy for Community Education, embracing Adult Education, the Youth Service and the development of Community Schools.
- 3.3.10 The redefinition of policies for Special Education to ensure that the available resources are used to the best possible effect.
- 3.3.11 The development of strong working relationships with the Devon and Cornwall Training and Enterprise Council.

- 3.3.12 The provision, in association with the Social Services Department and with voluntary organisations, of services to Under-Fives, in accordance with the Rumbold Report and the Children Act.
- 3.3.13 The promotion, of greater public understanding of the Committee's responsibilities and the high standards it sets itself in their discharge.
- 3.3.14 The maintenance and development of strong working relationships with partner groups and organisations.
- 3.3.15 To develop performance indicators to help measure the progress the Authority is making towards its aims.

**APPENDIX 8.15: CORNWALL'S PERFORMANCE MANAGEMENT STATEMENT FOR EDUCATION**

**PERFORMANCE MANAGEMENT STATEMENT 1991/92**  
**DAVID FRYER, SECRETARY FOR EDUCATION**

The following statement sets down 8 accountabilities of which the first 4 are corporate. Under each accountability are some key objectives.

1. **Contribute to the effective management of the County Council as a whole**

**Key Objectives:**

- (a) (i) Participate actively in the Chief Officers' Group and the group of the five most senior officers by contributing on corporate matters and on departmental matters of a major or potentially controversial nature.
- (ii) Meet on a regular and individual basis the Chief Executive, the Deputy Clerk and Chief Executive, the County Treasurer, the Director of Social Services, the County Personnel Officer and the Director of Property Resources.
- (iii) Take on responsibility for specific corporate issues at the request of the Chief Executive and Clerk.
- (b) Contribute to the strategic management process by reviewing the Action Programme for 1990/91, rolling forward the Medium Term Plan to 1992/96 and monitoring the progress of the 1991/92 Action Programme by the selective use of performance indicators (about 20%) - leading to the preparation of Action Programmes for 1992/93. All the above to be in accordance with County Council guidelines.
- (c) Seek the involvement and ownership of members and staff in the strategic management process.
- (d) Promote the corporate image of the County Council - in particular by demonstrating the Education Department as a caring and efficient organisation producing high quality information and response.
- (e) Assist in identifying a European strategy and priority action for the County Council.
- (f) Acting as a board member of the Devon and Cornwall TEC and contribute to their activities (particularly as Joint Chairman of the Training Credits Steering Group) and provide a link with the LEA.
- (g) Develop a departmental information technology strategy and priority action and assist in the development of such a strategy for the County Council.

2. **Provide advice and support for elected members**

**Key Objectives:**

- (a) Ensure that the Chairman and Vice-Chairman of the Education Committee and the Chairmen of the Schools and Continuing Education Sub-Committees are fully briefed and consulted on matters of policy and on politically sensitive issues.

- (b) Keep all members of the County Council briefed on Education matters including at least one report from the Education Department in each issue of the information pack for members.
- (c) Ensure that the Education Department is geared to respond quickly to enquiries and requests for information and help from all members of the County Council (as well as MPs, parents, governors and members of the public).
- (d) Timetable throughout the year a series of pre-agenda meetings and Chairmen's briefing sessions for the Education Committee and the three Sub-Committees.
- (e) Look for opportunities to form ad-hoc joint member/officer working parties to address particular issues.
- (f) Ensure that the Education Department "secretariat" is able to give appropriate support to the Chairman and Vice-Chairman of the Education Committee.

3. Meet the financial objectives of the County Council and the Education Committee

Key Objectives:

- (a) Consolidate mechanisms for controlling the 1991/92 revenue budget within the estimate in liaison with the Member Budget Monitoring Group which will meet monthly.
- (b) Implement the 1991/92 Capital Programme within agreed timescale and budget and ensure value for money.
- (c) Prepare the revenue and capital budgets for 1992/93 within County Council guidelines and in accordance with the Medium Term Plan priorities.
- (d) During 1991/92, complete reports on the 6 budget review items previously identified and consider adding one or two more to the list - to improve value for money, make savings and increase income.
- (e) Introduce cost centre management for a number of identified service areas in 1991/92 and plan for more in 1992/93, e.g. Careers Service, Youth Service, Adult Education.
- (f) Work with the Director of Property Resources in looking for opportunities to maximise capital receipts in order to sustain the 4-year building programme.
- (g) Maximise income (with secured matching funding) from GEST, ESF, TEC etc. programmes.

4. Ensure the development of staff in the Education Department

Key Objectives:

- (a) Following the pilot scheme, introduce appraisal for departmental staff in accordance with Council guidelines and identify the consequent training and support needs.
- (b) Produce and publish a staff development policy for the Education Department (including support mechanisms for staff during a time of great change).
- (c) Introduce the scheme for Teacher Appraisal as from September 1991 and in accordance with Government regulations.
- (d) Visit, personally, all parts of the Education Department during the year and a good sample of schools and colleges.
- (e) Take up at least one personal development opportunity of significance during the year.
- (f) Produce guidelines on good practice in Equal Opportunities within the Education Committee's policy.

5. Keep under review the structure and organisation of nursery, primary, secondary, special education, continuing education and other associated services

Key Objectives:

- (a) In the light of the Rumbold Report and the Children Act, bring forward a report by the end of December 1991 - jointly with the Director of Social Services - on an overall policy for under-fives for the County Council.
- (b) Following the County Council seminar of 15th March 1991, report to the Education Committee on a redefinition of strategy for small primary schools.
- (c) In the post-16 sector, ensure that the developments at Penwith Tertiary, Truro Tertiary and Saltash FE College proceed according to plan and that opportunities for collaboration between schools and colleges are seized.
- (d) Obtain an effective response, following consultation, to the forthcoming White Paper on the Future Organisation of FE Colleges and Sixth Form Colleges and plan for the future.
- (e) Respond, in liaison with the Devon and Cornwall TEC, to the current review of the Careers Service and seek support for the Council's preferred option of a partnership arrangement with the TEC.
- (f) Report to the Education Committee on a review of the Policy Statement on Community Education.

6. Implement major legislation, in particular the 1988 Education Reform Act

Key Objectives:

- (a) Implement the National Curriculum in accordance with the Government's timetable and in relation to the LEA Curriculum and TVEI Extension.
- (b) Ensure that the LEA's responsibilities for implementing the NC Assessment procedures at Key Stages 1 and 2 are fulfilled and the joint responsibilities with examination boards at Key Stages 3 and 4 are also met.
- (c) Monitor the introduction of formula budgets and LMS/LMC and plan to introduce full delegation to all schools by April 1992.
- (d) Take forward plans to delegate to schools more of the central funds held within the General Schools Budget and ensure that the Government's 85% target in this respect is met by April 1993.
- (e) Report to committee on overall policy on Special Education in the light of the 1981 Act, recent DES Circulars and LMS.
- (f) Implement Education Committee policy in respect of any proposals from schools for grant maintained status.

7. Lead the Education Department and keep its structure and role under review

Key Objectives:

- (a) Chair the weekly Senior Management Team of the Department.
- (b) Seek to develop the Department's internal management processes through promotion of divisional and other team meetings for management and budget monitoring purposes.
- (c) Implement the main features of the approved restructuring of the Education Department by the autumn of 1991.
- (d) In relation to (c) above, develop a premises plan (particularly for local offices) to support the new structure.
- (e) Complete reviews of Outdoor Education, Psychological Social Workers/EWOs and of Performing Arts support by the end of December 1991 (under the review of structure mentioned at (c) above).

8. Monitor and evaluate the performance of schools, colleges and the Education Department

Key Objectives:

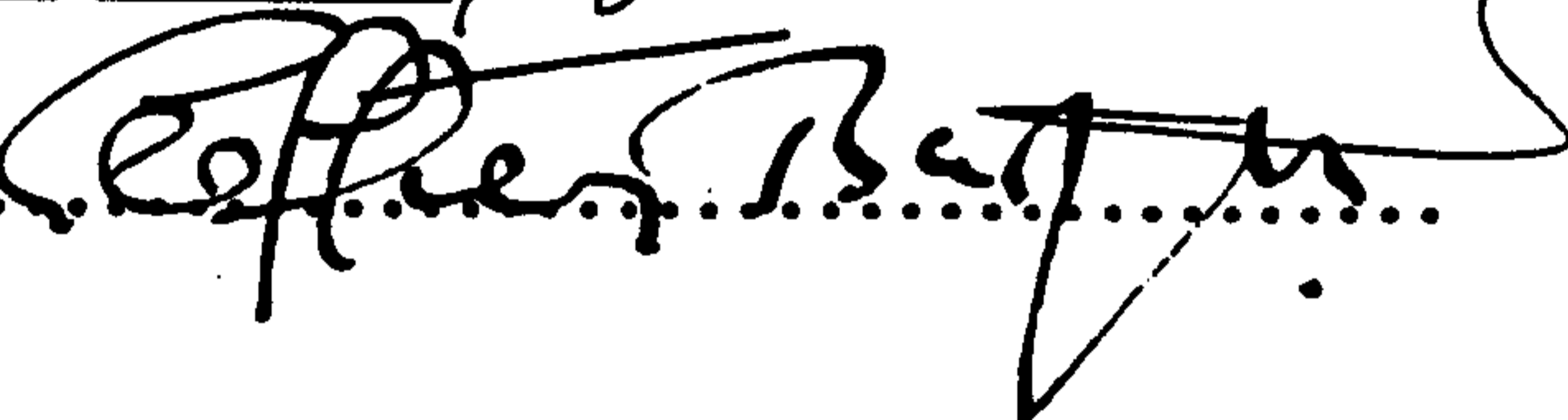
- (a) Assess the first year (school year 1990/91) of the new system of School Review and move into the second year, incorporating lessons from the previous year.

- (b) Encourage all schools and colleges to have their own development plans by the end of school year 1991/92.
- (c) Complete accreditation of FE and Tertiary Colleges' own internal review procedures.
- (d) Ensure that the departmental appraisal scheme (see 4(a) above) is linked with the Education Committee's Medium Term Plan and Action Programmes so that the performance of all sections of the Department can be evaluated.

Performance Management Statement agreed by:

Secretary for Education ..... 

Chairman, Education Committee ..... 

Chief Executive ..... 

Date: ..13/6/1991

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**APPENDIX 8.16: CORNWALL'S REVIEW OF EUROPEAN CO-ORDINATION  
CORNWALL COUNTY COUNCIL**

**AGENDA NO. 3**

**POLICY: PERFORMANCE REVIEW WORKING PARTY**  
**3rd September, 1991**

**PERFORMANCE REVIEW OF EUROPEAN CO-ORDINATION**

Report by Chief Executive and Clerk.

A REPORT outlining the results of the recently completed performance review of European co-ordination.

**Introduction**

1. The Working Party will recall that it was agreed to review the Council's existing European co-ordination and develop a European strategy for the Council. The interdepartmental team of officers responsible for the review have now completed their report which has been considered and endorsed by the Chief Officers' Group. A copy of the report is attached as Appendix A.
2. The officer team was set the following terms of reference:-
  - to consider the Council's existing arrangements for co-ordinating European matters at member and officer levels and make recommendations as to future provision;
  - to identify a strategy for the Council in response to the single European Market and specify action areas in all departments; and
  - to identify the financial implications for the Council in responding to the Single European Market.

**Main Findings**

3. The main findings of the review cover the following:-
  - The lack of an overall European strategy and a previous concentration on obtaining and using ESF and other EC funds, although more recently the Council has sought to develop links with other regions e.g. Finistere.
  - The need to clarify the responsibilities of Committees and build upon the existing officer level arrangements for co-ordination of European activity.
  - The need to develop an overall strategy in relation to Europe, particularly in response to the Single European Market.

**Recommendations**

4. The main recommendations contained in the report cover the following areas:
  - The adoption of a European strategy (paragraph 4.3).

- The clarification of Committee responsibilities (paragraph 4.4).
  - Improved co-ordination at officer level (paragraph 4.7). The proposals in the report are already being implemented and the County Planning Officer will chair the inter-departmental office working group.
  - Service Committee action (paragraphs 5.2 - 5.13).
5. The Working Party is asked to consider the report and RECOMMEND to Policy Committee:
- (a) the adoption of the broad strategy, and revised Committee responsibilities outlined in paragraphs 4.3 to 4.7 and the Service Committee action described in paragraphs 5.2 to 5.13; and
  - (b) that the report be referred to Service Committees with the request to include in their 1992/93 action programmes, work as appropriate, on the initiatives outlined in paragraphs 5.2 to 5.13 of the report.

GEOFFREY K. BURGESS  
Chief Executive and Clerk  
CE&C/RE

List of Background Papers

None.

REVIEW OF EUROPEAN CO-ORDINATIONREPORT OF THE PERFORMANCE REVIEW TEAMTERMS OF REFERENCE

1. The Terms of Reference which follow, were agreed by the Chief Officer's Group on 12th April, 1990. The Performance Review of the Council's European co-ordination was concerned to take a stage further the Deputies Group consideration of the impact on services of the single European Market and the need to re-assess existing arrangements for co-ordinating European matters at both member and officer levels.

The following Terms of Reference were agreed for the Review:-

- (a) To consider the Council's existing arrangements for co-ordinating European matters at member and officer levels and make recommendations as to future provision.
- (b) To identify a strategy for the Council in response to the Single European Market and specify action areas in all departments.
- (c) To identify the financial implications for the Council in responding to the Single European Market.

METHODOLOGY

The main approach adopted by the Team has been to identify the County Council's existing arrangements and practices in relation to European activity and also to identify practices in other authorities.

CURRENT EUROPEAN ACTIVITY

- 2.1 The County Council has identified, as a major priority the need to develop an overall European Strategy. In order to meet this objective the team looked at existing policies and objectives in relation to European activity.
- 2.2 It would be fair to say that to date the County Council's main objective has been to successfully bid for European assistance and then use the receipts to stimulate economic development and enhanced vocational opportunities for the people of Cornwall.
- 2.3 A further aspect has been, with an eye to European integration, the development of links with European regions that might also have a benefit in E.C. grant terms. For example, the link with Finistere.
- 2.4 This approach has achieved some success although as the nature of the main E.C. funds (E.S.F. and E.R.D.F.) are changing the County Council needs to consider the use of the Social Fund in particular to develop a 'pump-priming' fund to enhance new initiatives as part of its overall strategy. In the case of the E.R.D.F. successful projects in the future are likely to be those of direct benefit to the local economy. However, there remains a difficulty regarding the Government's treatment of additional funds received from Europe by local authorities.
- 2.5 The Council has also sought to develop its lobbying in Europe with the appointment of a European Liaison Officer based in Brussels. This has

considerably strengthened the flow of information to County Hall and the awareness of opportunities for funding as well as the impact of E.C. Directives.

- 2.6 The Single European Market and the growth of European integration will have a considerable impact upon the County Council and will require a greater level of co-ordination than has hitherto been necessary, particularly with regard to E.C. Directives affecting contracts for goods and services. In addition there will be a need for the majority of departments to investigate their current approach to provision of services in the light of the single European Act. It is this factor more than any other which has guided the team in its development of a strategy and action.

#### THE NEED FOR GREATER EUROPEAN CO-ORDINATION

- 3.1 As the Council has developed its European activities so the need for co-ordination has increased and there are now a number of internal officer groups dealing with the strategy behind particular E.C. funding programmes as well as the applications themselves. The Council is also represented on the various national or regional bodies organised by Government Departments which co-ordinate E.C. funding programmes. In most of the groups considerable reliance is placed on the European expertise of the Economic Development Office.
- 3.2 Two Committees are seen to have clearly defined roles in relation to the Council's European activities.

Policy Committee - has a co-ordinating role in relation to all of the County Council's activities as well as an overall policy and financial responsibility. The Committee is also responsible for the co-ordination and establishment of formal links with Europe, following which individual service committees would act within their own areas of responsibility.

In addition the Policy: European Social Fund Working Party has been established to consider and approve both the ESF submission and the use of ESF receipts.

Planning and Economic Development Committee - has within its terms of reference, 'To consider and report on matters relating to the European Community ....., ' and although it has not been stated explicitly, this has been construed as being on behalf of the County Council.

Other Committees - No other Committee has an explicit mandate for development and co-ordination of European policies and/or strategy.

#### ORGANISING FOR 1992 - THE COUNTY COUNCIL'S STRATEGY

- 4.1 As part of their review the team contacted a number of other County Councils about their approach to the introduction of the Single European Market. The result was that all appeared to have identified a strategy and be further advanced in co-ordination of their working arrangements with respect to 1992 and European integration than Cornwall. Many have, like Cornwall, begun to move away from the structural fund approach to Europe having seen the potential for their local community both through improved links with adjoining European regions, and a co-ordinated response to the Single European Act.

- 4.2 The review team are of the view that there are many opportunities for the County Council and considerable risks these will not be fully addressed without the development of a clear strategy, enhanced co-ordination and clear responsibility for officer action within departments.
- 4.3 The Council's overall objective is and will continue to be, obtaining the maximum economic, educational and cultural benefit from membership of the EC. Within this overall objective the team see the European Strategy developing at two levels, initially endorsed by the Policy Committee to provide a framework within which service committees develop specific initiatives for inclusion in the M.T.P. and action programmes. Beyond this revised officer arrangements are proposed to secure implementation.

It is recommended that the overall strategy for adoption by the Policy Committee should be based on the following:-

- The County Council should identify as a priority a wide range of European initiatives both within its own services and throughout Cornwall aimed at enhancing European awareness and ensuring the whole community is equipped to respond to 1992 and European integration generally. (Individual service priorities identified as part of this strategy are described in detail in paragraphs 5.2 - 5.13).
- In recognition of the increasing importance of Brussels and the EC Institutions, the County Council should improve its liaison with Europe at the political level sending delegations to meet the Commission on matters of major interest to Cornwall, in order to maintain a 'high profile' in Europe, retain funding and special status. (The team are concerned with adequacy of existing funding to meet this expanded activity).
- The County Council should seek continued development of links on a geographical as well as for example an occupational, industrial, cultural, educational, tourism etc. basis as the most appropriate means for developing its strategy. The County Council should also continue to develop the provision of information services to businesses, encourage joint marketing or other ventures for Cornish products with local business, agricultural and fishing interests both within Cornwall, Finistere and the peripheral maritime regions.
- Acknowledging that the structural fund approach is no longer wholly appropriate, the County Council will nevertheless continue to keep abreast of any changes in EC support available and will seek to maximise the benefit for Cornwall as a whole at the same time seeking to redress restrictions brought about through the UK Government's present treatment of EC funding.
- The County Council should move beyond the structural fund approach to Europe with applicant departments developing a 'pump-priming' fund for European initiatives utilising ESF receipts within the context of its broad economic development strategy. The Authority should also look to establish an integrated approach to the 'European dimension' in service provision. To develop the latter aspect, the Council should identify resources for and establish a 'European Initiatives Fund' which could be used to provide tapering support for European initiatives spanning more than one department.

The County Council acknowledges that the introduction of the Single European Act and greater European integration will have a major impact across the whole range of the Council's activities and that this development is likely to increase rather than decrease over time. As a consequence the Council is concerned to ensure that all departments are fully aware of European initiatives and respond appropriately. The Council's aim is that the 'European dimension' to service provision should become as much an accepted part of every day working as the legislation, regulations etc. emanating from the U.K. Government. All Chief Officers should therefore develop specific European initiatives for inclusion in their departmental action programmes.

#### Committee Responsibilities

- 4.4 As part of the European strategy existing Committee arrangements should be clarified, to ensure they are adequate for the enhanced co-ordination that will be required if the Council is to develop an effective response to the impact of 1992 and a coordinated European Strategy as a priority in the Council's Medium Term Plan. It is suggested that the Policy Committee should be given a clearer responsibility for the development and co-ordination of the Council's overall European strategy and that individual Service Committees should be required to develop and implement a range of European initiatives within the overall strategy.

##### (i) Policy Committee

It is suggested that the Policy Committee's responsibility for co-ordinating the development and implementation of a European strategy is made clearer and initially the outline strategy identified in this report should be progressed by replacing the existing ESF Working Party with a 'European Working Party' of Policy Committee which would meet as and when necessary and have the following terms of reference:-

- to advise Policy Committee on the co-ordination and implementation of the County Council's European Strategy.

##### (ii) Service Committees

Service Committees should be responsible for identifying within the overall European strategy their priorities and ensuring their implementation as part of the Committee's action programme. Their terms of reference should be amended accordingly.

#### Organisation and Management

- 4.5 To ensure implementation of the policies outlined above and a greater degree of co-ordination of the Council's activities than exist at present at the officer level, it is proposed that there should be an officer level 'European Support Group', meeting regularly to consider all European matters. It is also proposed that the European Liaison Officer should attend some of these meetings and provide any necessary professional support to the officer group, the Chief Executive and Clerk and Chief Officers.
- 4.6 The proposed officer level group should comprise representatives of each department and would have as its main task the development and

implementation of the Council's European Strategy, response to the Single European Market, development of links with European regions, ensuring the dissemination and sharing of information and that European awareness/activity becomes an integral part of the workings of each department. The group should be chaired by the Chief Executive (or his nominee) with specialist advice provided by the Economic Development Office. It would advise the Chief Officer's Group on any appropriate action the Council may need to take.

4.7 It is RECOMMENDED that detailed arrangements at officer level should be as follows:-

- (i) The Chief Executive and Clerk should be responsible for the development and co-ordination of the County Council's European strategy.
- (ii) All Chief Officers should have within their corporate objectives in their performance management statements a reference to develop within their own department appropriate responses to European issues. Chief Officers should also ensure that European initiatives are included in their Department's action programmes.
- (iii) A 'European Support Group' be established comprising named representatives at senior level from each department which would be responsible for European matters. The group should be chaired by the Chief Executive and Clerk or his nominee (preferably another Chief Officer), and report as necessary to the Chief Officers' Group.
- (iv) Each department should be responsible for identifying within the overall strategy their priorities and implementing the European strategy insofar as it affects their Department, the aim being that each would over time develop a greater awareness of the implications of European issues.
- (v) The Planning Department, through the Economic Development Office and the European Liaison Officer should remain a centre of European expertise. (In addition, the European Liaison Officer should provide direct support to the Chief Executive and Clerk in relation to the Council's European strategy.)
- (vi) The European Liaison Officer should attend some meetings of the 'European Support Group' to provide advice/assistance as necessary.
- (vii) The Chief Executive and Clerk retain responsibility for notifying departments of any changes to EC Directives, in particular rules regarding public procurement, through the proposed 'European Support Group'.

#### SERVICE COMMITTEE ACTION

5.1 Within the overall strategy outlined above it is suggested that committee/departamental activity should initially concentrate upon the following issues with reports providing detailed information on implementation being submitted to service committees and the proposed European Working Party. The basis of each service committees main priorities/initiatives is outlined below, and it is suggested that the initial task for each service committee is to identify action.

## Education

5.2 The Education Committee has the task of preparing the people of Cornwall, particularly young people, for the implications of closer European integration. The Committee will pursue a range of initiatives including:-

- developing language skills.
- developing the vocational skills needed to meet the challenge of economic integration.
- raising European awareness.
- promoting exchanges of staff and students.
- collating and disseminating information about European integration.
- supporting the development and dissemination of curricular materials.

So far as this is possible the Committee will seek to utilise European funding particularly to support the development of vocational skills and exchanges. Moreover, in order to maximise the use of European funding the Committee will establish a rolling fund to 'pump-prime' European initiatives using E.C. receipts.

## Libraries and Arts

5.3 The Libraries, Arts and Records Committee has already identified three areas of interest in its M.T.P. and these are reflected in the 1990/91 and 1991/92 action programmes:-

- provision of information.
- learning resources for European languages.
- cultural links.

In the case of the first two items resources have already been identified and further expenditure is planned in 1991/92. Specific proposals on cultural links have yet to be brought forward for implementation.

## Planning and Economic Development

5.4 The main tasks of the Planning and Economic Development Committee are, through the Economic Development Office, securing EC structural fund assistance and providing information and advice to the Cornish business community. In addition the Tourist Board will continue to promote the local tourist industry throughout Europe and will be attending a number of promotional exhibitions and developing opportunities as they arise from 1992 and the opening of the Channel Tunnel in 1993.

The Economic Development Office will continue to provide European expertise/advise, guidance and assistance to other departments and committees as necessary to ensure the implementation of the Council's European Strategy. The Office also has responsibility for the Council's Economic Development strategy which incorporates specific proposals relating to Europe.

The increasing importance being attached to the environment by the European Community is also of particular relevance to the Planning Department. Concerns range from the promotion of alternative energy, environmental impact assessment of major projects, countryside and habitat protection and land reclamation and heritage restoration



activities. The Committee will prepare policy approaches that take full account of European Community concerns.

### Fire and Public Protection

5.5 There are major implications for trading standards in relation to 1992. There will also be an impact on the Fire Service and each is described below.

#### Fire Service

- (i) The most significant implication of 1992 for Fire and Rescue Services is that of technical harmonisation of National Standards. The Service is a large user of specialist equipment and the development of European Standards, in addition to EC directives on public procurement and personal protective equipment, will influence the future purchasing arrangements of Fire Brigades.

#### Trading Standards

- (ii) The Trading Standards Department has already been affected significantly by legislation, much of which has been initiated in response to or affected by the European Community. This has resulted in growing numbers of requests for guidance and assistance on EC directives from the business community.

The County's Trading Standards Department is pioneering a data base of all certifications of approval for weighing and measuring equipment available in Europe, in conjunction with ICL. Once fully operational this system will be available to Trading Standards Departments throughout the UK and should be seen as a potential profit earner for the County. In addition the Department is developing a generalised system of product approvals and contacts in UK and European Trading Standards Departments. The need to be aware of product approvals on a European basis will be a particular problem for Trading Standards.

Additional work is also likely to arise with the new role Trading Standards will have in relation to the recent EC Construction Products Directive. For 1991/92 the Trading Standards Department is seeking additional staff to meet the demands of this new directive and the County's Chief Trading Standards Officer has completed a three month study tour of Europe to assist in the development of the UK's response to this new directive.

### Highways and Transportation

5.6 The Committee have already identified a programme amounting to some £5m at current prices for bridge strengthening to meet the introduction of heavier axle weights in December, 1998. In addition European Standards for street lighting, parking and traffic management are to be introduced and the Council will need to respond, identifying any additional costs. The European Community also aims to improve designated 'Euro-routes' to help integrate peripheral regions and eliminate internal borders. It may be appropriate for the County Council to seek the designation of 'Falmouth to the A.30' as a Euro-route.

### Social Services

- 5.7 E.C. legislation in relation to the Single European Market has had little direct impact so far on Social Services. However there will be an increasing affect as contracts for services become subject to a proposed E.C. Directive, the County Council will need to develop appropriate responses.

### County Farms

- 5.8 The County Council as the holder of a major farming asset within the County should consider the potential to develop, using European experience (e.g. Finistere) marketing arrangements for agricultural products.

The County Farms Estate should also consider the possibility of seeking EC funding where appropriate.

### Sea Fisheries

- 5.9 In 1992 the Common Sea Fisheries policy is due for reassessment. It has been suggested that as the majority of Member States are now in favour of a full review, the possibility of common access to all fishing grounds and a revision of quota allocations should not be discounted. Common access would have a far-reaching effect on the Cornish fishing industry, as before the extension from 3 to 6 miles many French and Belgian vessels fished these areas.

With this possibility in mind Cornwall's Sea Fisheries Committee is seeking to improve its enforcement capability through the acquisition of a new fisheries patrol vessel. However, the impact on the local fishing industry and the Cornish economy generally, could be significant if there is any major relaxation of existing quota and access arrangements.

### Employment

- 5.10 Most European Community Countries will be facing difficulties in recruitment arising from national demographic changes in the next decade. However, people will have greater opportunity to move between Member States to work and the standardisation of qualifications will facilitate this. Where skills are closely inter-changeable and remuneration packages in other Member States more attractive (particularly for the professions, e.g. teachers, legal and accountancy staff) the Council might experience even greater difficulties in recruitment.

For this reason, initiatives taken to improve recruitment and retention, especially of professional staff, and to target previously neglected sources of labour, such as women returners will be increasingly important. Existing initiatives will therefore need to be a feature of the Council's recruitment package into the 1990's.

Consideration will also need to be given to the opportunities for recruiting key staff from other Member States. It is suggested that as part of the Council's response to 1992 the opportunity to recruit staff within Europe is considered, in particular from the perceived pool of unemployed teachers in France and Germany. It may also be possible as links develop with Finistere to introduce a formal teacher exchange

programme to alleviate the potential shortage of modern foreign language specialists.

### Training

5.11 Staff training and management development skills will be crucial in tackling shortages of staff and appropriate skills. In addition, the Council has already recognised the need to identify key posts requiring language skills and this year embarked on a series of business language courses in French and German. This approach should be developed further.

### Social Charter

5.12 A number of proposed directives arising from the Social Charter focus on employment law and practice. These relate particularly to conditions of service, including minimum wages and part-time workers. It is likely that the European influence which has already been experienced as the result of decisions of the European Court will increase and the Council will need to develop appropriate responses, there is likely to be a cost implication.

### Health and Safety

5.13 Health and Safety is seen as a priority area by the European Commission. Although many of the principles are covered by existing UK law, there will be a need to review local resources, policies and procedures in the light of the developing EEC position and assess whether revisions and/or new requirements need to be introduced.

## FINANCIAL IMPLICATIONS OF RESPONDING TO THE SINGLE EUROPEAN MARKET

6.1 There are costs identified in this report for specific items, e.g. bridge strengthening. Many other costs are known to be substantial but cannot at this stage be identified for detailed costing e.g. Social Charter, impact of European standards/enforcement, and the treatment of EC funds under present additionality practices. However it may be equally significant to consider what the costs might be of not responding to the introduction of the Single European Market. Developing a 'pump-priming' fund and building further links with European partners are likely to become increasingly important for successful bids to European funding. Similarly knowledge of and action upon E.C. Directives will be just as important for E.C. funding, failure to comply with a Directive in relation to specific E.C. support will automatically bar an authority from receiving E.C. funding. It is for this kind of reason that it is very important for all staff to be aware of the growing impact of Europe on their every day work and the opportunities that exist.

## RECOMMENDATIONS

7.1 The teams recommendations cover three main areas; the overall strategy, individual service priorities and the officer working necessary for implementation.

It is RECOMMENDED that the Policy Committee adopt the broad strategy, revised committee responsibilities and officer working arrangements outlined in paragraphs 4.3 to 4.7, and the service committee action described in paragraphs 5.1 to 5.13 and ask individual service committees to prepare a programme of action.

**4. Does your council have a Mission Statement or Statement of Objectives?**

We have a Medium Term Plan (4 years) which sets out the council's overall strategy and objectives and then within that, identifies the various committees' strategy and objectives. This is updated every year and is approved by the Council. However, we lack a corporate policy and indeed identity to hang this on.

**SECTION B  
ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

**1. What measures were taken to draw support and involvement from officers in setting up the PR process?**

There is a definite attitude from chief officers of resisting anything which is perceived to be intervention from the centre, which is why our corporate support unit is so small. Some chief officers however, were introducing forward-planning systems in their departments prior to the PR system being established, to help them manage their service areas through the fiscal stress and other pressures which has characterised all local government in recent years. They welcomed this push from the centre since it helped them to convince their members and cynical senior managers of the value of review techniques. Other chief officers were resistant but this reflected their dislike of change generally and their reluctance to accept that things could be done better and that their management practices could be improved. However, I think this reaction typifies any initiative which involves them in additional work. Chief Officers Group was the forum at which this was discussed and perhaps we could have done more seminar type work to break the ground a little better.

**2. What measures were taken to draw support and involvement from members in setting up the PR process?**

The members found it easier to accept the initiative because it was precipitated from an external source, i.e. the District Auditor. At an early stage of developing the performance review process, a Performance Review Working Party was set-up to initiate member involvement and we encouraged all service committees to set-up performance review sub-committees. Some did and some didn't but most have petered out or are dormant - most members are not yet ready for performance review or don't take it seriously enough to make the necessary time commitment.

**3. Were goals and targets formally set before the introduction of the PR system?**

Only within some departments as part of their internal management processes. One of our reasons for introducing performance review was to force senior management and members to actually consider what it was that they actually wanted to achieve and what action would be necessary to be successful.

**4. How were policy targets set for the PR system and who set them?**

Each committee's strategy and objectives are produced as part of Cornwall's Medium Term Plan. Additionally, they each have an Action Plan. Chief officers produce performance management statements for their departments in conjunction with their committee chairmen and the Chief Executive, they have to identify between 6 and 8 accountabilities/objectives and to attach finite measures to these and naturally these relate to the overall strategy and objectives for the committee and the Action Plan being followed. The process of setting policy targets was collaborative.

- 5. How were performance measures set for the PR system and who set them?**  
Performance measures have been used much more at a departmental level and so have predominantly been set by officers. They are normally reported at committee and a go-ahead chairman may feedback views on the choice of measures and suggest additions/alterations. However, being left to senior officers' discretion has meant that some are considerably more developed and meaningful than others and I would like to see more uniformity of approach being adopted in the future.
- 6. What were the main technical problems encountered in implementing and operating the PR system?**  
In a large authority like this, there were inevitably problems of co-ordinating the whole process and making sure that objectives were set and Action Plans drawn up for each service area. Even if all involved had been enthusiastic, it would still have been difficult to make sure it all happened when it should have, but the reluctance of some officers meant that they procrastinated for as long as they got away with it. Consequently, the degree to which review is developed in each department varies considerably.
- 7. Were any other major difficulties or problems encountered in setting up the system?**  
The members lack of understanding of the significance of performance review hampered our ability to get any system off the ground and I think there was a general dearth of appreciation for the underlying approach to review and what was behind all the bits of work we were initiating from officers and members. I suppose we did encounter some resistance to a new initiative given that the Citizen's Charter, Local Government Review and the extension of CCT were around the corner but we felt at the centre that it would improve our ability to respond to the forthcoming legislation and so pushed on.
- 8. Did your authority draw on the experience of other authorities when setting up the PR process?**  
Not directly, but both myself and the Assistant Chief Executive had previously worked in authorities which had fairly developed review processes in place and naturally our experiences with those are reflected in the make-up of the current system. Having got the mechanism up and running, I have recently been looking around at what other councils are doing to see how our system could be improved and developed. As yet, I haven't seen any significant feature which would be of use to us. I'm keen to be innovative but am struggling to see ways of keeping the system fresh and dynamic.
- 9. Did your authority make use of internal/external consultants?**  
We try and do as much work in-house as is possible but external consultants have been used for some aspects of the specific reviews. Consultants were not involved in the development of the review process but I think given that our review system was not part of a 'big bang', it was important that it fully reflected the organisational environment and existing culture and was tailored initially to meet these. I'm not sure consultants can readily get a feel for these and we wanted to avoid being sold the model which they thought most closely matched our situation. Having said that, we might have encountered less officer resistance if the system had come from consultants rather than the centre but in the longer-term I think we made the right decision.

## **SECTION C**

### **THE PERFORMANCE REVIEW SYSTEM**

1. **When was the PR system first introduced?**  
My arrival in mid-1989 marks the start of its introduction but it was some months later before chief officers set objectives and got committee approval for these. Ad-hoc reviews pre-date this and I think probably go back some fifteen years to when the current Chief Executive took up post.
2. **Over what time period was the PR system introduced?**  
It took about six months to get the basic system in place but I would say that the PR process is still evolving in Cornwall as our knowledge and experience in relation to review accumulates. I don't know if we'll ever finalise the system since I would like to think that it would continually develop.
3. **How does performance review fit into the corporate management structure?**  
The Assistant Chief Executive with corporate responsibilities has overseen the introduction of performance review and played a significant role in designing the system. However, most of the responsibility for its operation has now fallen to me and whilst keeping the ACE informed of progress, I only inform her of significant or emerging problems. Chief Officers Group also receives summary reports of overall progress.
4. **Which Committee has responsibility for performance review?**  
The Performance Review Working Party, which is a sub-committee of the Policy Committee, has overall responsibility but performance review features on all committees. The Chair of the PR Working Party is very enthusiastic and has forced the issue of PR onto the agenda for a number of reluctant Chairs. She has antagonised a number who resent the intrusion of the Policy Committee into their affairs. Whilst there has not been a happy coalescence between the Central Policy Committee and the Working Party, and the Service Committees, it has been effective and Chairs are now being forced to think about strategic management.
5. **What is the designate of the officer responsible for performance review?**  
The Policy Co-ordinator is responsible for the operational work relating to the review system and the Assistant Chief Executive for its management.
6. **Which officers carry out PR work? (e.g. policy planners, internal auditors)**  
Centrally it is the Policy Co-ordinator, but all chief officers are involved in the management of the review process within their departments and will have delegated some of the management and most, if not all, of the day-to-day work, to other staff at various levels of seniority.
7. **How many staff are specifically involved in performance review?**  
This is difficult to quantify and I would like to be able to say that all staff in this organisation are involved in performance review. I suspect that apart from myself, it procures very little staff time although most are aware it is going on. It is only one part of my job description and doesn't get as much of my time as it merits.

- 8. Do officers continue to support and participate in the PR process?**  
 I think there continues to be a mixed response in terms of support. They have all been forced to participate but the enthusiasm and vigour with which they operate review within their departments varies. I think probably for the first time in Cornwall, individual chief officers are tied in to working for the Chief Executive and thus the corporate organisation and are so pulling in the same direction for Cornwall.
- 9. Do members continue to support and participate in the PR process?**  
 Members' attitudes vary considerably and generally the nature of the politics down here means that they only take a view on things which affect the areas they represent. Many don't see the point of PR but I think most are gradually accepting it as part of the management process but they are not strategically-orientated and so have difficulties in grasping the conceptual bases of PR. They are a very disparate bunch and so it is difficult to judge reactions but the Chair of the PR Working Party and Policy Committee has forced them all to take performance review seriously even if her somewhat forceful style has got a few backs-up.
- 10. Is there any mechanism for communicating knowledge of process and performance targets to junior management or operative grade staff?**  
 We have recently introduced a staff appraisal system which is slowly cascading down the organisation and in some departments will have reached junior management. It is not intended to operate for manual workers at this stage but we may take that decision some time in the future. I would hope that performance features in staff appraisals lower down the organisation - they certainly do at my level - but I can't guarantee it and I suppose the more cynical chief officers may ignore the potential to link individual appraisal with departmental and corporate performance but as the review process gets embedded into the organisation, this would hopefully dissipate. Our staff appraisal scheme is still in its relative infancy and I anticipate that as it progresses, participating staff will increasingly demand to know how their performance relates to the macro-picture.
- 11. Are consumer measures identified within the PR system and were the views of consumers sought before the system was drawn up?**  
 We have not done consumer surveys in this authority and the members are resistant to the idea, assuming that they know the attitudes of their customers/electorates. Some service-led departments do incorporate customer satisfaction measures into their review process but many have done little in this area. I think central government is intent on forcing local authorities to take consumer views seriously and that this has motivated the Citizen's Charter legislation.
- 12. Are measures of quality incorporated into the PR system?**  
 Quality is an area very under-developed in this authority and I think very few departments have utilised measures which approximate quality indicators. We still tend to be focused on input and very crude output measures. I think there is a trend however, within local government to be increasingly focused on the quality of service delivered and I would anticipate that things will change in Cornwall given time.

- 13. Is any attempt made to distinguish between economy, efficiency and effectiveness in the performance measures utilised?**  
The performance measures are not categorised along these lines but I'm not sure how useful it would be if they were. Each service area should adopt the most appropriate and revealing indicators, and I don't think that forcing managers to report 3 measures say, in each of the 3E areas, would be helpful in that process. I can say that the majority of the measures currently used in Cornwall would be classified as 'economy' indicators. There are a few efficiency measures but none which relate to effectiveness.
- 14. Is a distinction drawn between operational (day-to-day) measures and strategic targets?**  
I would say nearly all of our measures are operationally and not strategically based. I can't be more definite because a few progressive chief officers may have more developed indicators which they use departmentally. Most of the targets which have been specified so far are also operational but we are beginning to get chief officers to think of how to make targets more strategic. I anticipate that marrying the measures and targets together will be a bit of a headache.
- 15. Does the PR process operate across all departments in the authority? If it does not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?**  
The performance review process operates throughout the whole authority but the energy put into review activities varies from department to department.
- 16. How is the PR system linked to the policy planning/ strategic planning process?**  
This has been difficult because of the political make-up of the authority and the fact that the councillors are not policy-driven but tend to react to suggested policies according to how they will impact on their electorate. This is why we forced the agreement of the Medium Term Plan so that we would have a framework in which to operate - this is the loose outline of what councillors propose should be done. Below this is the Action Plan and Performance Management statements and they should all be related. It is now our intention to put the performance indicators into that process and make them an integral part of strategic management. Currently it is just a matter of did you do this or didn't you? We are keen to develop more subtle monitoring.
- 17. How would you describe your councils budgetary process? (e.g. zero-based, incremental)**  
It is basically incremental but I think we have slowly started shifting in the last couple of years, and will increasingly operate Prioritised Budgeting. I think this is as much through necessity as desire. Performance review has helped with this change and budgetary decisions are much more informed than they previously were.



**18. How is the PR system linked to the budgetary process?**

The Action Plans of the committees are now linked to the budget. By linking the plans to the budgets we can see where the ups and downs are but the link is still weak and I think each year that we operate the system, it will become clearer what the most effective way of linking the review process with budgetary allocations is. Currently, whilst the two are looked at in tandem, I don't think as yet they feed into one another and certainly not systematically. We are keen to communicate to chief officers and members that they have a finite budget and that its allocation must relate to the priorities that they set in a different forum. As we increasingly feel the fiscal squeeze, our ability to do this will become even more crucial.

**19. Is the PR system linked to performance appraisal and/or performance-related pay?**

As previously intimated, we have recently introduced a staff appraisal scheme which should be linked to overall performance and will certainly be in future years. At present, we don't have a performance-related pay scheme but that is the next stage. I think even if senior management is not keen on PRP, the government is likely to introduce legislation which makes it compulsory to operate some form of PRP for chief officers - I don't expect all chief officers to be enthusiastic about this and I'm sure our members will take some persuading. The Chief Executive has concerns that PRP will stifle innovation and that chief officers will divert attention into activities which are measurable and which form part of their appraisal at the expense of other tasks and I think any system introduced would have to address this. I think if performance were linked to pay it would strengthen the focus which performance is given in the council and would emphasise the performance-orientated culture which Cornwall County Council is pursuing - perhaps it would be a mixed blessing.

## **SECTION D**

### **GENERAL VIEWS OF SYSTEM**

**1. Do you consider the current institutional arrangements relating to performance review satisfactory?**

No I don't think so. I think we have relied on chief officers to drive the system too much with the result that in some departments, performance review progress has been slow. I think the centre should have been given a more prominent role even at the risk of generating resistance on the grounds of corporate interference. To do this, we need more staff but I think we need more support anyway. I am not fully aware of what is going on in every department because I just don't have the time to find out - review is only a part of my job. I think if the Chief Executive were to get more involved it might give the process some impetus.

**2. Have any major changes been made to the PR system since its introduction?**

The review system is still evolving and whilst it has changed since first introduced, it was expected to develop, and is expected to continue developing, as it continues to operate in the authority. It is useful to refine the system in the light of experience rather than bring in a rigid structure at an early stage, particularly since review is not associated with other changes in this authority.

- 3. Have there been any significant changes in the organisation of your authority since the PR system was established and did the system cope and do you think it could cope with significant organisational changes?**

There have been a few changes in chief officer personnel recently but this did not affect the operation of the PR system. I have to be honest and say that review is not significantly integrated into the operation and management of this authority nor have we yet secured sufficient commitment, to believe that performance review could survive major organisation change. Perhaps we could get change for the better though, like a Chief Executive willing to drive the process.

- 4. What do you consider to be the main strengths of the PR system?**

I think it has helped us develop our strategic management system. It completes the circle between policies and actions and has helped both officers and members get beyond the basic budget implications of potential decision. It has helped make staff more accountable and has given them some sense of purpose. We have laid the first stone of strategic management and it gives us a basis to lay the other building blocks.

- 5. What do you consider to be the main weaknesses of the PR system?**

I think it is currently too mechanistic and that is why I've been searching for ways of improving it. However, the systematic nature of the process reflects the fact that we felt it was important in this authority that departments' performances should be judged in a comparable fashion and I think this has helped most of our chief officers feel comfortable with the system. PIs have yet to get fully integrated into the management process. Both managers and councillors still perceive them separately from Action Plans. I think the measures do not really relate to the sorts of things we should be measuring.

- 6. On the whole, do you consider performance review to have been successful?**

It is too early to say whether performance review has been successful or otherwise, but we have not made the progress I would like to have seen at this stage. That may reflect unrealistic expectations on my part but I don't think so. Maybe we just weren't quite ready for review or we lacked the driving force to secure commitment and the necessary cultural change, but we are a long way from getting performance review bedded down in the organisation.

- 7. What are the most important future developments you would like to see in relation to performance review?**

I would like to see chief officers involved in the appraisal of other chief officers departmental performance. In an organisation of this size, senior managers can become compartmentalised and can be unaware of what is going on elsewhere in the authority - I think this would be a significant step in improving their corporate identify and would take us a stage closer to open management. I would like to see a greater degree of member involvement and ultimately I would like to see a Strategic Management Sub-Committee attached to each service committee which oversaw the review process for the areas covered by the committee, and focused on the budgetary implications of review and generally gave a strategic dimension to the activities of members and the committees. I would like to see officers developing their target-setting skills and targets being used more comprehensively by senior management. In service areas this is not always easy. It would be beneficial to see the performance implications of budgetary decisions.

**CORNWALL COUNTY COUNCIL**

**QUESTIONNAIRE FOR CHIEF EXECUTIVES  
PAT CROWSON - ASSISTANT CHIEF EXECUTIVE**

**SECTION A  
ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

- 1. Were you the Chief Executive at the time the PR system was being established and were you or would you have been, in support of its introduction?**

The Chief Executive has delegated all responsibility for the performance review system to me (Assistant Chief Executive with Corporate Responsibility) which is why I'm being interviewed rather than him. I was in post when the review process was established and not only was I supportive of its introduction in this authority but was one of the driving forces giving the initiative momentum. The Chief Executive and the Chair of Policy were also key players in getting review off the ground.

- 2. Is the current PR system an enhanced/modified version of a previous review system?**

No review system was in place throughout Cornwall prior to this one, although some departments had introduced monitoring processes of varying types. We did conduct reviews of particular activities on an ad-hoc basis and the experience of these informed to some degree, the way the system was set-up.

- 3. What role did you play in the development of the PR system?**

Having got agreement that review would be introduced in Cornwall, I did a lot of the preliminary work of considering what processes were needed, how they should be evolved and what was the best mechanism for getting the system in place. I got the Policy Co-ordinator's post approved and occupied which was a major step in getting the process past the developed ideas stage.

- 4. Were departments co-operative, generally, and with each other, in setting up the PR process?**

There was a mixed response from chief officers. Those who were introducing review-type processes in their departments were generally supportive although a couple felt peeved at a central initiative forcing them to change their approach. Of the rest, some considered it an essential move to improve management, particularly given the District Auditors report, but there were the usual cynics and whilst not 'uncooperative' I don't think they gave their all to get the process off the ground. There was no necessity for departments to co-operate with each other although in time effective target-setting will necessitate collaboration. I am not sure co-operation is guaranteed.

- 5. Were any cost-benefit studies of the PR system carried out prior to its establishment?**

The review system was introduced to facilitate effective strategic management not economy. I don't think the possibility of doing a cost-benefit study was ever considered but if it had, I suspect that a cost-benefit analysis of this type of system would be extremely difficult to conduct.

- 6. Did the process of setting up the PR system cause the authority to focus on the objectives of services and did this lead to a reappraisal of the service and/or a redefinition of the customer?**  
 I think the review process forced many managers and members for the first time, to consider what they are trying to achieve and thus we were forced to consider the objectives of our services. I don't think as yet this has led to a rethink on service provision or a redefinition of the customer but I would expect that in time, if these are necessary in particular service areas, that the review process will precipitate them.
- 7. Were any major difficulties encountered in setting up the system?**  
 Getting the review process operationalised took much longer than expected and hoped, with the result that some chief officers let progress drift. We thus have a situation where some departments are considerably more advanced than others and the review situation is at too many different stages throughout the organisation. This reflects the differing levels of enthusiasm exhibited by our senior managers and apathy from certain chief officers continues to be a problem. If they are uncommitted, it is difficult to force them to take the process seriously and give it the room needed to develop in their departments. It was difficult to get members persuaded that performance review had something to offer the county and it was sold to them as a tool to improve the management of the authority. I'm sure that most still do not understand the conceptual basis of review nor see it as valuable and thus some Chairs don't force chief officers to take it seriously.

## **SECTION B THE PERFORMANCE REVIEW SYSTEM**

- 1. How does performance review fit into the corporate management structure?**  
 All chief officers have responsibility for the operation of the review process within their departments and should report substantial problems to Chief Officers Group which is where the developmental work on review is debated. Some COs have delegated responsibility down a tier within their departments but there is no systematic approach for this.
- 2. What responsibilities do you have for its operation?**  
 I suppose I co-ordinate the process and make sure it happens. The Policy Co-ordinator does the day-to-day work but I oversee the whole process and make sure it is moving along. Maybe I should be more involved but I have attempted to avoid chief officers perceiving this to be an attempt from the centre to scrutinise their activities. So, having got the system off the ground, I have tried to keep on the periphery.
- 3. Is there any mechanism incorporated into the PR system for communicating knowledge of process and performance targets to junior management or operative grade staff?**  
 This is left at the discretion of chief officers and some communicate with their junior staff well, whilst others don't. In Personnel for example, the Departmental Action Programme lays the foundations for the staff appraisal and all the officers are aware of what is expected of them and how it all adds up. Others do very little cascading down and I have to say that central units have been guilty of this as well as service departments.

- 4. Are consumer measures identified within the system and if so were the views of consumers sought before the system was drawn up?**

Some of the measures identified within service departments relate to consumer-type issues like levels of dissatisfaction, but this is an area which we could work on extensively. Officers are holding back to see what emerges from the Citizen's Charter legislation. Members assume that they know their customers' needs.

- 5. Are any measures of quality incorporated into the system?**

This is a weak area for us. We have done very little development work on quality indicators nor really considered what quality of service we should be providing. This again reflects members thinking that if customers weren't getting what they wanted they would complain. Whilst I think it is important to consult with our clients about what standard of service they are seeking. I think as a council we should be doing much more to monitor service standards and assess whether these are adequate. I am surprised that CCT has not forced us to face this issue head-on, but it currently only happens in a few departments/service areas and at the discretion of departmental directors.

- 6. Does your PR system operate across all the departments in your authority? If not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?**

The review system is supposed to be all encompassing but allowing directors to drive the process within their department has meant that it is more developed in some areas than others.

- 7. How does your PR system cope with conflicting and multiple objectives?**

The system is not developed enough to have confronted this issue but because it is operated compartmentally within departments its ability to respond to conflicting objectives will vary according to how well developed it is. I suspect that problems with objectives will be resolved outwith the context of performance review.

- 8. Is the PR system linked to performance appraisal and/or performance related pay?**

We have staff appraisals and at senior management these are gradually being related to performance information emerging from the review process. Whether this is the case at lower levels of management is at the discretion of chief officers and thus varies. We don't yet have performance-related pay but I expect that in a couple of years, a decision will be taken on this matter. Our members will not be keen and officer attitudes will differ so I suspect that it will be a close decision.

9. **How have directors responded to the PR system? Have directors of technical departments responded differently to directors of service departments?**

Chief officer responses have varied considerably but I don't think these differences could be attributed to whether they are from technical or service departments. The managers who had made some progress before this central initiative were all from service departments and thus were more in-tune with performance thinking but our technical managers have responded well although they have found it more difficult to set objectives for their areas of responsibility - measures have been comparatively easier. They are enthusiastic too.

## **SECTION C CORPORATE AND GENERAL ISSUES**

1. **Is any provision made for monitoring and appraising tasks which are not incorporated into the PR system? Has the workforce's perception and performance in relation to these tasks been altered?**

Undoubtedly, there are many tasks not included in the review system but we would hope that our staff appraisal scheme would prevent these from being ignored. There is no formal system for picking these up and this is perhaps an issue we will need to address once we have introduced performance-related pay.

2. **Has the introduction of the system been associated with any changes in corporate values/culture (e.g. more customer orientated)?**

I think the system is helping us to develop a corporate direction and identity. The size and variety of departments within the county has led to a lack of interaction and a compartmental approach being adopted. With the result that we don't as such have corporate values or an identifiable culture throughout the organisation. I think the review system has meant we are nearly all pulling in the same direction now.

3. **Do you feel that the system has contributed significantly towards achieving:**

- a corporate management perspective?
- corporate goals?

Cornwall is a big organisation and it is difficult to generate a corporate management perspective in such an instance. I think the process of going through review has helped ensure that chief officers are all going in the same direction but the historical lack of a strategy or vision for the county has meant that they are not entirely sure where that direction/route is taking them. We don't have corporate goals in place to achieve, but the review system has helped the attainment of departmental objectives.

4. **Has the PR system identified any training needs either in relation to its operation or as a consequence of its establishment?**

I am not aware of training needs having emerged from the operation of PR but it may have within certain departments. I think in retrospect, we should have done more introductory training to both officers and members on the purpose of review and what it can offer the council and on target-setting and performance indicators identification.

- 5. Have any major changes been made to the PR system since its introduction?**  
The system has changed since it was first introduced but this is in response to developments and improvements which could only have been identified after it had been introduced. I don't think these could be classified as major.
- 6. Have there been any significant changes in the organisation of your authority since the PR system was introduced? If yes, were these the result of the system operating and did the review process cope with the change?**  
There have been no significant changes in the authority's make-up since the review process was introduced.
- 7. Do you consider the PR system to be dynamic that is, adaptable to changing circumstances?**  
The review process's ability to respond to any change would very much depend on what that change was. In this authority I don't think review is dynamic although I hope that in time this will improve, and I don't know how it will cope with some of the immediate challenges like the extension of CCT. However, potentially, with good commitment and a supportive culture, review should be able to withstand most things.
- 8. Has the system encountered any major problems or difficulties in operation?**  
I think the biggest difficulty in operating the system has been keeping the momentum going and driving the reluctant chief officers into action. In an authority which is neither performance nor strategically orientated, the process of getting objectives, targets and measures specified, has been awesome and I think we have only taken the first step but will improve with time.
- 9. On the whole do you consider the PR system to be successful?**  
I think we are too early on in the process to conclude whether it has been successful but whilst considerable in-roads have been made, I think there is still a degree of scepticism and a lot of misunderstanding. I think we have made progress in inculcating corporate responsibility to chief officers but there are still some weak links in the chain. I think they do now question much more what they do and this must be a good thing.
- 10. What do you consider to be the main strengths of the PR process?**  
I think it has substantially changed the way that we as an authority think about things and has been an important factor in the gradual cultural change that is taking place. I think it has given and will continue to give, the authority a clearer sense of direction and purpose and we will be able to demonstrate achievements both to members and to the public. This must enhance service delivery and I think it will help us be more efficient and effective in time.

**11. What do you consider to be the main weaknesses of the PR system?**

The process hasn't filtered as far down the organisation as we had hoped in terms of communicating performance. I would like to see us less focused on the review 'process' which is too mechanical, but rather that the performance culture had permeated the whole organisation and was part of our day-to-day management. The review process lacks a mechanism for forcing reluctant managers to pay it more attention. The dedicated managers who see its value, have embraced review enthusiastically and have made considerable progress in operating the system effectively in their departments. The more sceptical have paid the process lip-service and have only input the minimum necessary not to engender the Chief Executive's anger - but these are precisely the officers whose departments could benefit most from the integration of performance management. I think chief officers are now confused about what their personal objectives are and what departmental objectives are - they often perceive that all departmental goals are theirs. I hope that in time, and with the continuance of staff appraisal, this attitude will subside. We haven't been as successful as we hoped at breaking down the insularity of some of our senior managers.

**12. What are the most important future developments you would like to see in relation to performance review?**

What we haven't yet tackled is fundamental policy review. We have done a few area reviews like Europe and waste disposal but I would like this to be a more systematic system possibly on a rolling programme basis and more linked to the effectiveness of related policies. I think there is a tendency for us to fit our targets and choose our indicators according to the organisation and activities, as it is rather than how we want it to be, or that it should be, and I think this is an area which we need to work on, deciding what it is that Cornwall should be striving for. I think this process might be eased by a rationalisation of our committee structure - I think we need fewer but more focused committees. The link with the budgetary process needs to be clarified and strengthened if review is going to have a long shelf-life in this authority and part of the solution for me lies with business planning.



## **CORNWALL COUNTY COUNCIL**

### **QUESTIONNAIRE FOR SERVICE DEPARTMENT DIRECTOR DAVID FRYER - SECRETARY FOR EDUCATION**

- 1. Which department are you the director of?**  
I am Director of Education in Cornwall and have been for many years.
- 2. Were you the director at the time the PR system was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
I was the director when the review system was introduced and I was very supportive of the initiative. I had already begun to make progress in the review area in my department because I don't think you can effectively manage unless you have some notion of standards and targets and then find a mechanism for monitoring whether you are achieving them. I think this is essential for each department and for the organisation as a whole. For directors not managing along these lines, the introduction of performance review was a means of forcing them to become more strategic. I am less keen on performance review now but that is because of inadequacies in the system we have implemented. I still wholeheartedly support the concept and principal of performance review.
- 3. How were the policy targets set for your department and who set them?**  
I got together my senior management team and we listed our objectives and priorities and scored them on both importance and urgency. From this comprehensive list we were able to identify actions required and set targets for our performance. But these are really departmental targets rather than policy targets. Although influenced by the Chair of Education, they are not founded on clear policies from the committee because they don't have clear policies. The list was approved by committee after it was drawn up so there was some member input.
- 4. How were performance measures set for your department and who set them?**  
I am reluctant to develop comprehensive performance indicators for my service at this stage because the Audit Commission is about to issue a draft list of Citizen's Charter measures. Whilst I recognise that these are separate from the review system in this authority, I want to minimise the effort required to produce information and so want to see what they've got on offer although I suspect that they will focus entirely on quantitative measures and ignore indicators of quality. I have operational measures already identified but these pre-date performance review. I hope to be innovative in the future and find measures which get to the heart of my service.
- 5. To what extent were you included/consulted in designing and developing the system for your department?**  
The basics of the current system were centrally imposed, for example, the directive that Annual Action Plans, Performance Management Statements etc. should be drawn up. However, the process for operationalising these in each department was left at the discretion of each chief officer. I was quite fortunate because I had already made progress in this area and I like to think I'm a good manager. I knew what I was doing but other directors are floundering or certainly give that impression.

- 6. Do you feel that the PR process has contributed to the achievement of departmental goals?**  
 This department was fairly progressive and was achieving goals anyway. Elsewhere in the council, the review process might force managers to identify their goals but I don't think it will help them achieve objectives. Performance review is a means of demonstrating progress towards goals but I don't think it will achieve them for you. That is dependant on good management, of which review is only a small part. You can't do everything and performance review can help rationalisation.
- 7. Has the system identified any specific training needs for your department and have these been addressed?**  
 Training needs are identified in all sorts of ways, predominantly through staff appraisal and by my personnel approaching me direct. Perhaps the process of classifying objectives, which was part of the review process, did identify certain training gaps which needed to be filled but I don't see training specification as a primary goal of performance review.
- 8. Is there any mechanism for communicating knowledge of process and performance targets to junior management and operative grade staff and obtaining feedback from these groups?**  
 The exercise with my senior management team which collaboratively identified the objectives, priorities and thus targets for the Education Department was the main mechanism for communicating with and obtaining feedback from my key personnel. Junior management were aware of the outcome of these meetings and staff appraisal is a further two-way information process on the performance front. One of the dangers of following performance-orientation is that staff focus activities on the measurable at the expense of other activities and I think this will need to be carefully monitored. To a certain extent, this applies departmentally and the Citizen's Charter and the league tables may make senior managers fall into the trap of concentrating on what is monitored, particularly if they have a Chairman who wants the authority and himself to be seen to be doing well. This is more of a problem where performance-related pay is in operation. We try and cascade as much information down as limited time and resources permit, not only to teachers but to parents as well.
- 9. How has the review system affected your department?**  
 I would say that it has structured what we were doing anyway. It has formalised the informal and given us a framework to hang the review activities on. However, it has not pulled the bits together coherently and that would have been of most benefit to my department. Overall it has improved things and I think it has legitimised my management practices which some of my members thought were over complex and pernicky.
- 10. Has the review system contributed to the achievement of corporate goals?**  
 I don't think we have corporate goals as such. Cornwall County Council is a bit of a conglomerate with each department acting almost as an independent business. We are held together because we are providing services to the same area. The review system may be helping to give us a degree of corporate identify but it would be premature to suggest that it is helping us achieve corporate goals.

- 11. Do you have any views on the capability of the review team?**  
 I think the centre have not thought through the interconnections of the key components which when taken together constitute performance review in Cornwall, and I think these things should have been considered before reaching the implementation stage. I think they should have carried out much more consultation, particularly with chief officers, before designing the system. This might have instilled a greater sense of ownership amongst managers who have to operate the system. They are available for offering advice on setting targets etc., but we haven't used them for that so I can't judge their abilities in that domain.
- 12. Do you believe that performance review as operated in this authority is a genuine attempt to improve performance? Do you see any other implication?**  
 I would like to think it is genuine and certainly in my department I operate the process in a way which highlights performance and identifies areas for improvement as necessary. There is an element of strengthening the control role of the Chief Executive and his central staff, but this is subsidiary. I don't think there is any strong hidden agenda for review but it does help the centre monitor what is going on.
- 13. Is your reaction typical of departmental directors?**  
 Although I try and support and promote performance review amongst my fellow chief officers, I'm a bit cynical about the way things are being done here and I find it increasingly difficult to try and be enthusiastic about its role here. Those of us who were originally supportive have been disappointed. Those who were sceptical are not surprised and there are a few with smug smiles on their faces.
- 14. What do you regard as the main strengths of the system?**  
 I think it has forced the County Council to identify what it is all about in the form of the Medium Term Plan and it has potentially given managers a mechanism for improving management practice. Potentially it will make us more strategic but the rate at which the local government environment is changing, I'm not sure if this is possible especially given the way it is operated here.
- 15. What do you regard as its main weaknesses?**  
 The process does not have ownership from the chief officers and members who are the people who have to work with it. It is not regarded as an integrated part of management and the organisation as a whole. The problem is that performance review is a collection of things; the budget process, the Medium Term Plan, detailed Annual Action Programmes, Budget Review and Performance Management Statements. These all have lives of their own and are run by different people. Collectively they can be called performance review but, as yet, they do not interconnect and interact. Each component is good in its own right but because they don't add up, performance review is ineffective. It is too complex whilst at the same time being mechanistic.

**16. What future developments would you like to see in relation to performance review?**

I think it is essential that the interplay between the strands making up review is made explicit and I think it would be useful to cut back on the number of components though I don't know which could readily go. The system needs simplified and if it is to have a long-term role to play in this authority, then a much higher level of ownership needs to be secured and members must come to understand its purpose.

**CORNWALL COUNTY COUNCIL**

**QUESTIONNAIRE FOR COUNCIL LEADERS  
JOHN HURST - LEADER OF THE LIBERAL DEMOCRATS**

1. **Which party has overall political control in your council?**  
No party has control in Cornwall. We share the chairs with the Independents who are the second largest group after ourselves. But neither group, I think, perceives themselves to be in power.
  
2. **What is the political balance of your council?**

Liberal Democrats	29
Independent	24
Conservatives	14
Labour	8
Liberal	3
Cornish Nationalists	1
  
3. **Was your political party in power at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
I am very unenthusiastic about performance review, quality control and performance indicators. I regard the whole thing as part of the government's obsession with cost as opposed to service quality. I am very unsympathetic towards the whole process and I'm very cynical about its likely effect in this authority. I would like to have seen a cost-benefit analysis of what you get out of it compared with the officer time put in. It is undoubtedly an attempt from central government to cut local authorities down to size.
  
4. **Which committee has responsibility for the PR process?**  
The Performance Review Working Party, which is a Sub-Committee of the Policy Committee, has overall responsibility but all committees receive review information and can input into the system as desired. It is not given a huge amount of committee time and members are not queuing up to be on the Working Party.
  
5. **Were members involved in the development of the PR process?**  
Not extensively but the opportunity was there for members to help in its development but we weren't really told much about it and maybe if we had been consulted, the process would be more embedded into the organisation.
  
6. **What part do you personally play in the PR process?**  
I don't play a particularly active part in the process beyond that of an ordinary member. I am on the Education Committee and receive relevant review information and respond as necessary. As leader of the largest group in the council, the Chief Executive consults with me to a degree but it is really just to get endorsement of developments. The CE is not actively involved either.

- 7. What part does the majority group play in the PR process?**  
 We don't have a majority group as such, but ourselves and the Independents hold all the chairs and as such receive the review reports for the committees. We have reasonable representation on the Working Party and the Policy Committee, so as a group we have all the opportunities we need to input into the process.
- 8. How are your Council's political objectives determined?**  
 The Liberal Democrat group meets before every full council meeting and increasingly we are having to meet in between committees. We do liaise with the Independents fairly extensively. However, not having political control prevents our political objectives being adopted as the council's objectives but they do influence the policies which are adopted at full committee. On local issues, the Liberal Democrats follow their intuition but on more general issues we tend to follow along national guidelines.
- 9. How are these incorporated into the PR system?**  
 The policies which we perceive to be important are the ones which we try to have secured as the Objectives and Goals of the Service Committees but we don't always get our own way and so our political objectives are not always reflected in the review system. The objectives of the council, be they ours or not, are part of the Medium Term Plan and each committee has its own Strategy and Action Plans which should reflect stated objectives. But when it comes to reviewing what has been done, I'm not sure that the monitoring process is sufficiently related to monitoring progress towards these. I think we just measure what we have done and report it but don't relate it back to whether it is what we planned to do.
- 10. Has the PR system helped your administration achieve its objectives?**  
 I don't think as yet, the review process has helped the council achieve its aims and in fact is a long way from doing so, but it has helped us concentrate our minds and might make it clearer the balanced priorities. It has not significantly altered our direction nor what happens in the authority but it has provided a means for us to demonstrate what we are doing.
- 11. Does the majority group and/or the minority group use the PR process for party political purposes?**  
 In a way we are making information public to minority groups and beyond, which otherwise would not be in the public domain but most councillors here are pretty easy going and so we haven't had problems with political games being played with performance indicators and review information. There is an occasional highly politicised issue such as some of the environmental issues which require decisions but rather than forcing us to play our cards close to our chest, the review process has facilitated debate because members know that when a decision is taken, it is recorded properly and forms part of the goals which we are aiming for.
- 12. How does the PR system relate to the policy planning process?**  
 The review process follows on from us setting objectives and agreeing Action Plans most obviously in the form of the Performance Management Statements produced by chief officers but I still have to be convinced that the monitoring process and our quantification of performance is systematically, if at all, related to policies.

- 13. How does the PR system relate to the budgetary process?**  
I am not happy with the constraints under which the budgetary process is having to operate but given this, if review can inform budget decision then I would like to see performance information used more effectively in deciding how resources are to be allocated. However, this would need to be systematic and not ad-hoc. We are trying to move away from incremental budgeting towards something which reflects more readily our priorities but we are a long way from achieving a significant step and I don't know what role review would play in this.
- 14. How have directors of service departments, directors of technical departments and the Chief Executive, related to the PR process?**  
I only know specifically how a few have responded and they are generally cynical about its potential and significantly resent the time that it is consuming. There may be an element of them being set in their ways because by the time they reach chief officer level they know what they are doing, or thing they do, and you can't teach an old dog new tricks. I don't think our senior management are committed to either the principal or practice of review which will hamper its progress.
- 15. What do you regard as the main strengths of the PR process?**  
I think it has forced us to put together our Medium Term Plan which indicates where we want to go given current circumstances. It has systematised our activities which in a large fragmented non-political authority such as Cornwall has been useful. It has made certain things more explicit, particularly the role and goals of chief officers. To that end, it will improve accountability, particularly from senior management.
- 16. What do you regard as its main weaknesses?**  
It is taking up far too much officer time and to a lesser degree member time for something that we are not sure what it is going to do for us. I don't actually think it is changing what is done. I think it was introduced too quickly and without recognition of our environment or situation. We are being asked to operate a system in which we don't believe in so it is not surprising that it is floundering. I think it is too number driven.
- 17. What are the most important future developments you would like to see in relation to performance review?**  
I think it is essential for us to identify clear objectives for the council so that we have a direction and review can help us steer the course but the objectives of review itself and the role which it is supposed to play need to be clarified before we can go any further with review. If I am honest, I don't know how far it can progress in Cornwall in its current form. That is, I'm not sure it has a future.

## **CORNWALL COUNTY COUNCIL**

### **QUESTIONNAIRE FOR OPPOSITION LEADERS COUNCILLOR NELSON - LABOUR GROUP**

- 1. Was you political party in opposition at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
No party has political control in Cornwall so in a way we are all in opposition. Labour is one of a number of smaller groups and that was the position when review was introduced. I neither actively supported nor opposed its introduction and really know very little about its operation now. The more I learn, the more I think it could be useful for improving the effectiveness of the council.
- 2. Were opposition members involved in the development of the PR process?**  
Members on the whole were minimally involved in the development of the process.
- 3. What part do you personally play in the PR process?**  
I only play the part of a normal member - I am not on the PR Working Party and thus my involvement is negligible.
- 4. What part does the minority group play in the PR process?**  
We have representation on the Performance Review Working Party and all the committees, which are all involved in the review process and we play the part of participating members. Having said that, the review process is an officer tool and members are really only rubber stamping management decisions.
- 5. Has performance review contributed to making your group a more effective opposition?**  
Not really because the leading groups, the Independents and the Liberal Democrats, do not have political objectives. they tend to do what they think is best for the county and they are not politically or really policy-driven so review has given us little to debate on.
- 6. How is your political agenda set?**  
We meet frequently as a political group to discuss issues. Our political agenda is a combination of national politics and local-based informed decisions. But we are a fairly small pawn in Cornwall and our political agenda is not prominent. There are some subjects that we will force a debate on because we feel particularly strongly about the issue. I suppose we are reactive rather than proactive.
- 7. Does the minority group and/or the majority group use the PR process for party political purposes?**  
No, we are a gentlemanly lot but I don't think enough information emerges from the review process to facilitate political debate or if it does, I don't see it. I wish we were a livelier council and that review could illicit some dynamism. Politically we are apathetic in this part of the country so I don't anticipate that review will become a political tool.



- 8. How does the PR system relate to the policy planning process?**  
 We don't have a policy planning process in Cornwall. We have established a Medium Term Plan and Action Plans but these seem remote from the review system. I don't know if it does relate formally but I can't find any evidence of it doing so.
- 9. How does the PR system relate to the budgetary process?**  
 It is planned that we introduce a Prioritised Budgetary System informed from the review process but I can't see how that connection can be made. Although I have only limited knowledge of the process, it doesn't provide the right information to be related to budgetary decisions.
- 10. How have directors of service department, directors of technical departments and the chief executive, related to the PR process?**  
 It seems to have been given a low priority amongst some chief officers but not by others but this is understandable given the extreme pressures facing some managers. The officers are pushing the process and if it were left to members it would have petered out, so I suppose most must relate well to the PR process. The Chief Executive was keen to get it introduced but emphasised that it was a management tool.
- 11. What do you regard as the main strengths of the PR process?**  
 In the past, I have not always known what staff are doing or what they are responsible for. I gather that review will change this and make responsibilities explicit. It should prevent chairs and chief officers colluding on certain issues and them not even reaching committee. It should keep you on your toes but I have insufficient experience of its operation to know whether it does.
- 12. What do you regard as its main weaknesses?**  
 It isn't changing anything in this authority and therefore I'm not sure what its point is or whether it has been a worthwhile exercise. Members are ill-informed of what is going on in this context and are not involved in the process. Given the prominence it is hoped to achieve in the authority, I think member input needs to be addressed.
- 13. What are the most important future developments you would like to see in relation to performance review?**  
 Unless we can change the political make-up of the council and get clear policies then I don't think we will see any significant future developments because we will not get the policy base necessary to make review effective.
- 14. If the opposition group came to power at the next election would you operate the PR process differently?**  
 I don't think review would be our top priority. We would need to begin with clear policy orientation and having given strategic direction to the council perhaps we may decide that review could help monitor progress but I think current experience has put us off a bit. Given the small minority which we have, this is too hypothetical to take seriously.

## APPENDIX 8.18: EPSOM AND EWELL'S CONTINUOUS IMPROVEMENT - PERFORMANCE MANAGEMENT

*Epsom and Ewell - Working to continuously improve the service it provides by responding to those it represents.*



# CONTINUOUS IMPROVEMENT

## MANAGING PERFORMANCE AT EPSOM AND EWELL

There is nothing new about performance review at Epsom and Ewell, it has always been an important part of management. Committees monitored actual costs against budgets and kept a particular eye on key aspects of performance, for example building use or the level of rent arrears.

However, in 1990 Epsom and Ewell Borough Council introduced a new management structure, enabling it to focus more clearly on what it wanted to achieve and to choose its main priorities in the face of competing demands. The Council adopted performance management, based on target setting and performance review, as a means to translate its broad vision into goals, and those into particular actions.

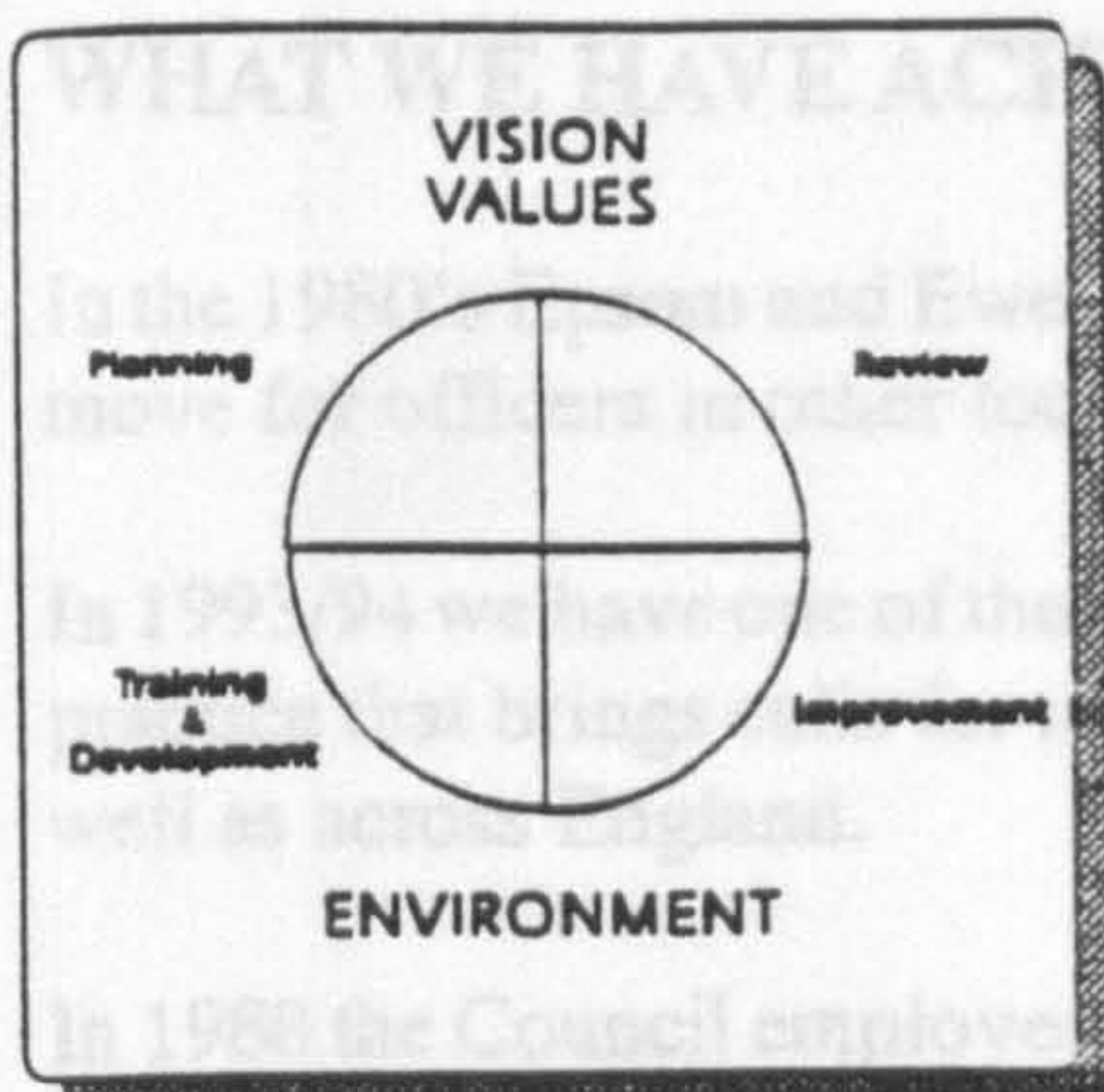
While Epsom and Ewell Borough Council is committed to the process of continuous improvement and recognises that any management system must evolve and change in the face of new challenges, the system is based on four key principles:-

- **Planning for Performance**
- **Performance Review**
- **Training and Development**
- **Continuous Improvement**

Over the past five years local government has faced rapid change. Epsom and Ewell has used performance management as a solid foundation to address the following issues:-

- **greater local accountability**
- **improved efficiency with limited resources**
- **increased competition**
- **improved quality of service**
- **greater responsiveness to our customers/citizens**

This series of fact sheets sets out the systems Epsom and Ewell Borough Council has in place to manage the services it provides more effectively. It is not about doing something new, it is about doing it better!



*Epsom and Ewell - Working to continuously improve the service it provides by responding to those it represents.*

## A CULTURAL CHANGE

### THE DEVELOPMENT OF PERFORMANCE MANAGEMENT

#### WHERE WE STARTED

In 1987/88 Epsom and Ewell Borough Council took stock and found that it had been hanging on to the way it had always done things. Formed back in the 1930's, its boundaries had remained unchanged since. It determined that it had to change to tackle the challenges that were coming at it from all sides, including CCT, Government financial controls, problems of staff recruitment and retention etc.

The Council embarked upon a process of cultural change. Performance Management was the vehicle to drive through changes; to bring in new values, develop more services, reduce costs, become responsive and improve the quality of services. The Council recognised that cultural change would not happen in just one or two years, it would require new attitudes and fresh commitment to a new direction.

#### HOW WE CHANGED

We took the first tentative steps back in the late 1980's. Our point of entry into the system was to introduce the concept of cost centres and identify objectives and targets for each.

We followed that with the introduction of service committee plans to try and pull the cost centre objectives into an integrated framework.

Next came a thorough review of the Committee and officer structure, and the detailed introduction of a performance review system based on performance indicators. At this stage, we also introduced Performance Related Pay, which we regarded as essential as a means to reinforce our commitment to improving performance.

The process of change has only been achieved because there was a clear vision of where we wanted to get to that was owned by Councillors and Chief Officers. Staff were also closely involved in the formulation and implementation of the new system.

CONTINUOUS IMPROVEMENT - MANAGING PERFORMANCE AT



## **WHAT WE HAVE ACHIEVED**

In the 1980's Epsom and Ewell had the highest rates in the area and was not seen as the most attractive career move for officers in other local authorities.

In 1993/94 we have one of the lowest Council Tax levels in Surrey. We have established a reputation for best practice that brings calls for information about how we operate from as far afield as Ireland and Scotland as well as across England.

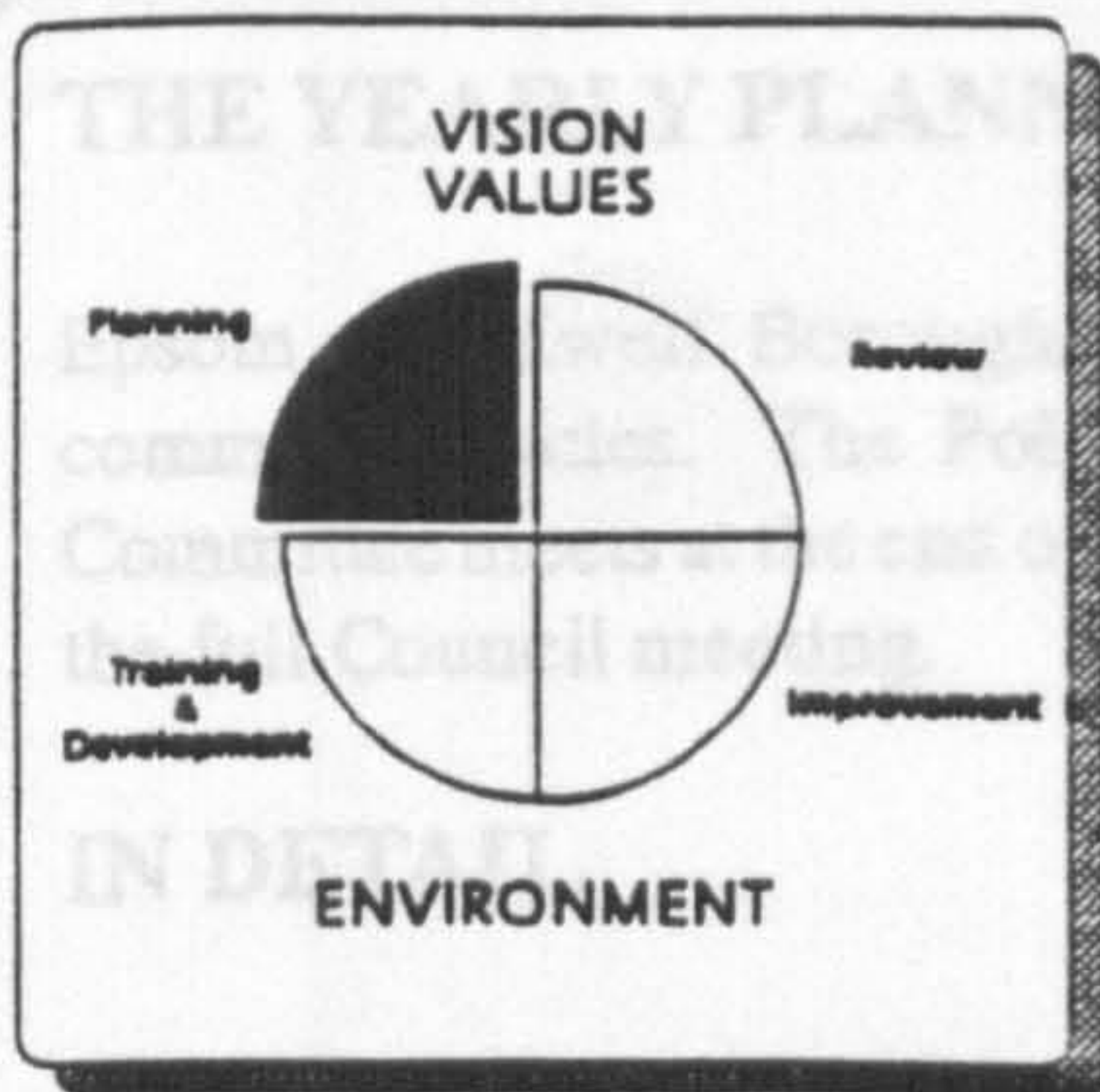
In 1988 the Council employed 503 people. By March 1993 we employed just 323, to provide a wider range of services, many at higher quality levels. Of that dramatic reduction of 180, 129 were redundancies arising from contracting out of services (CCT and VCT). The balance of the reduction at 51 has been achieved by increases in efficiency from a well paid, highly motivated, well focused staff.

In a recent survey of staff communications, over 80% of staff indicated that they understood clearly what is expected of them in their job. Our success justifies a recorded well done and thank you to all our staff.

We have market research information that shows that the community satisfaction levels for our services are well above the national average. Our other plans to improve further are also bearing fruit - we are getting even better.

**CONTINUOUS IMPROVEMENT - MANAGING PERFORMANCE AT**





*Epsom and Ewell - Working to continuously improve the service it provides by responding to those it represents.*

## PLANNING FOR PERFORMANCE

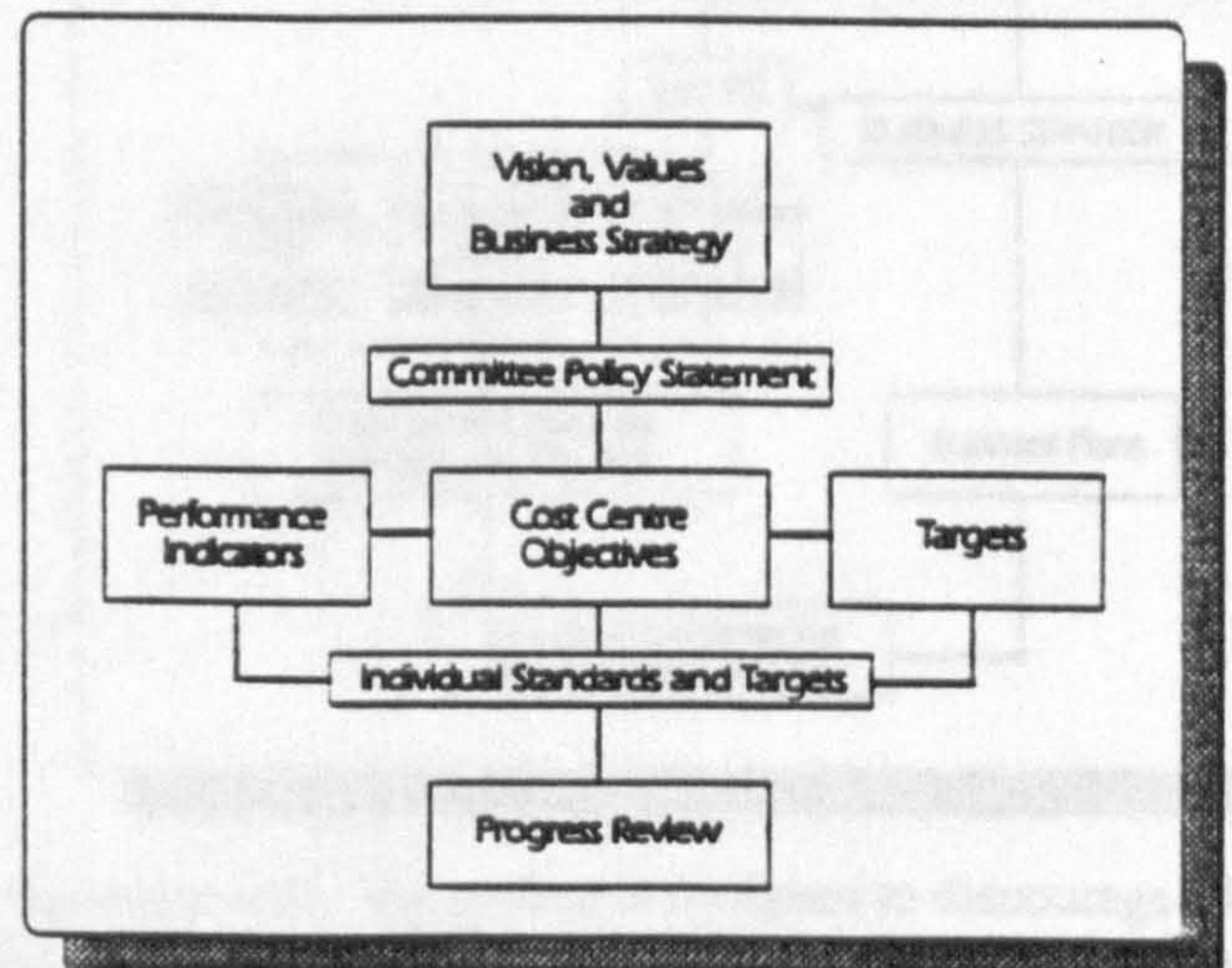
### CORPORATE PLANNING

*Epsom and Ewell Borough Council believes that the local community is best served by local people making decisions locally. It will continuously improve the service it provides by responding to those it represents in order to enhance the quality of life in the borough and to secure a thriving community.*

This vision statement is the basis for all the Council's work. With the values, which state areas of key importance in the Council's work, it guides every layer of planning.

The vision and values provide a framework for planning - each subsequent level of planning then feeds into the next. Service Committee policy statements cascade into Cost Centre objectives, which in turn cascade into targets and performance standards for individual staff members. Each lower level supports the level above, showing how the objectives will actually be achieved.

Figure 1 (right) shows how planning for performance works in a simple way. As with any process, the system has adapted to meet the needs of a unique organisation - a more accurate picture is given in Figure 2 over the page. However even this doesn't tell the whole story - the system is still evolving, taking account of fresh experience which shows how we might do things better.



CONTINUOUS IMPROVEMENT - MANAGING PERFORMANCE AT



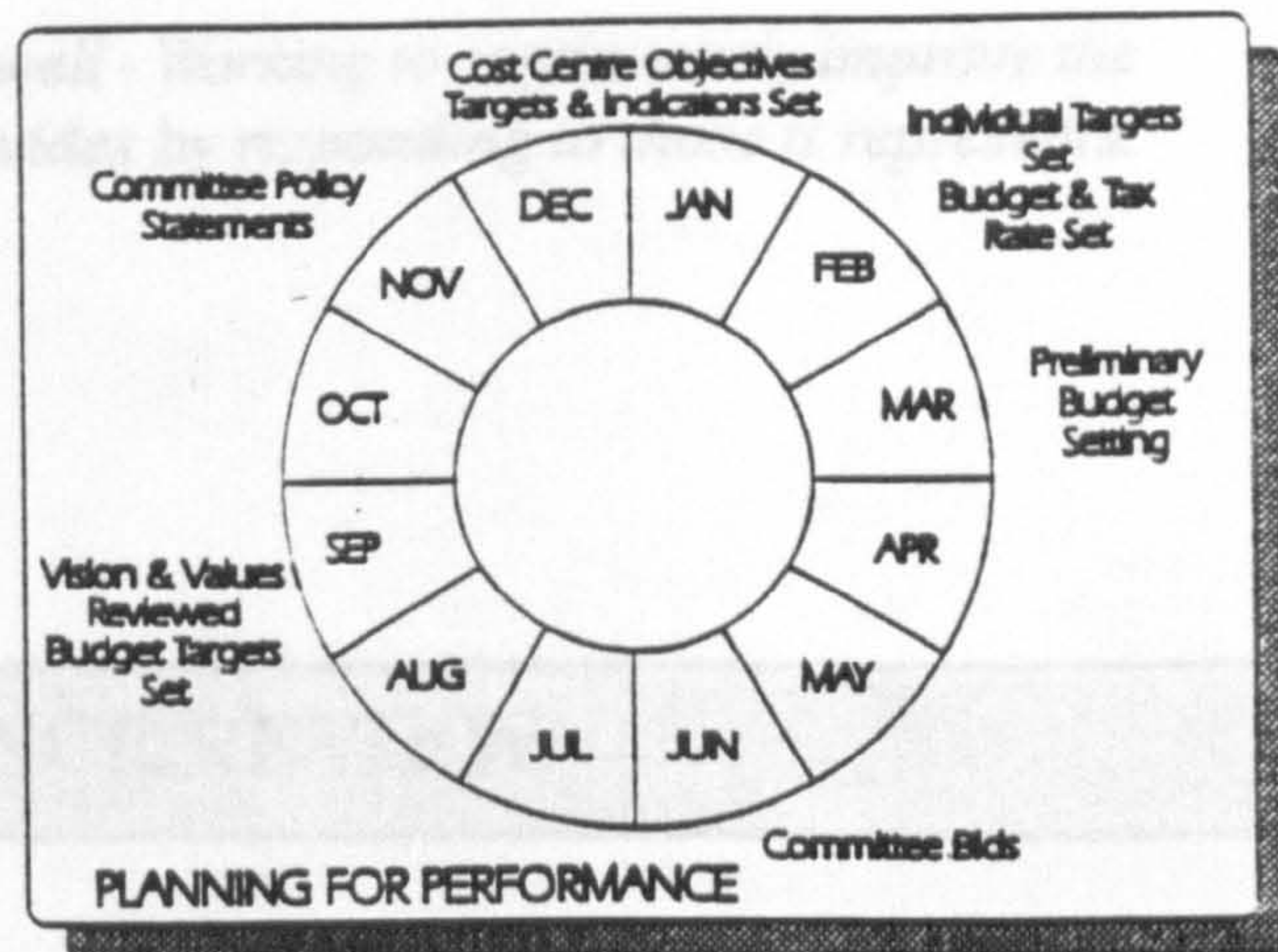
## THE YEARLY PLANNING CYCLE - AT A GLANCE

Epsom and Ewell Borough Council has four committee cycles. The Policy and Resources Committee meets at the end of each cycle, before the full Council meeting.

### IN DETAIL

The Council sets a preliminary budget strategy in March. Each committee then assesses the services it provides in light of this and bids for funding.

In September, the Policy and Resources Committee assesses the Council's vision and values and sets preliminary budget targets for committees.



In the October/November cycle, service committees decide on their priorities for the coming year, given the resources available to them, and revise their committee policy statement. At this stage they undertake a preliminary allocation of money to cost centres under their control.

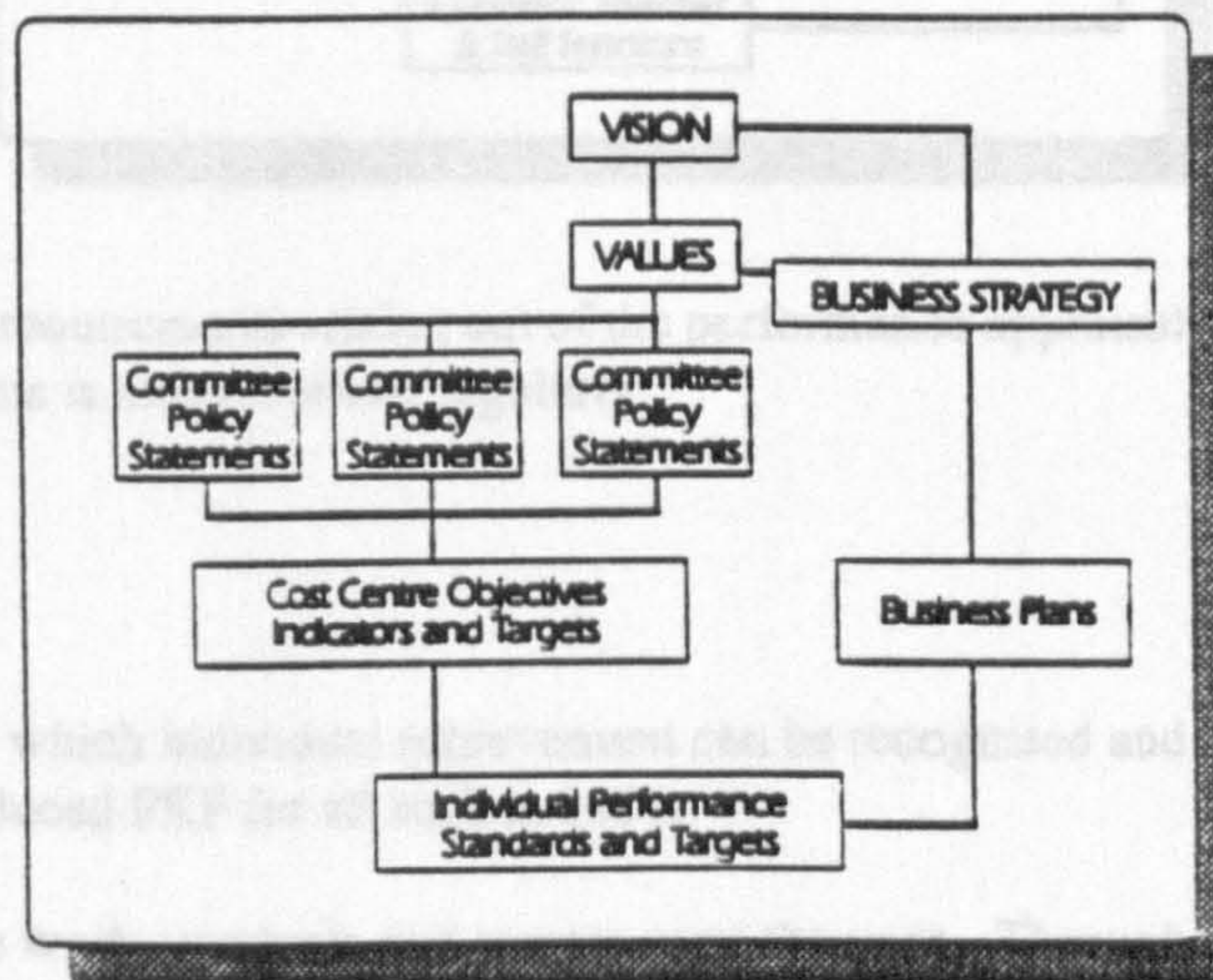
Cost centre managers develop objectives, performance indicators and targets which go before committees in the January cycle for approval. This is integrated with the budget setting process to ensure that objectives are set with full knowledge of available resources.

In February, the cost centre objectives, indicators and targets are published together with budgets, the vision and values and committee policy statements in the policy book. This is the major planning document of the organisation and is agreed by the Council in preparation to setting the Council Tax level.

### BUSINESS UNITS

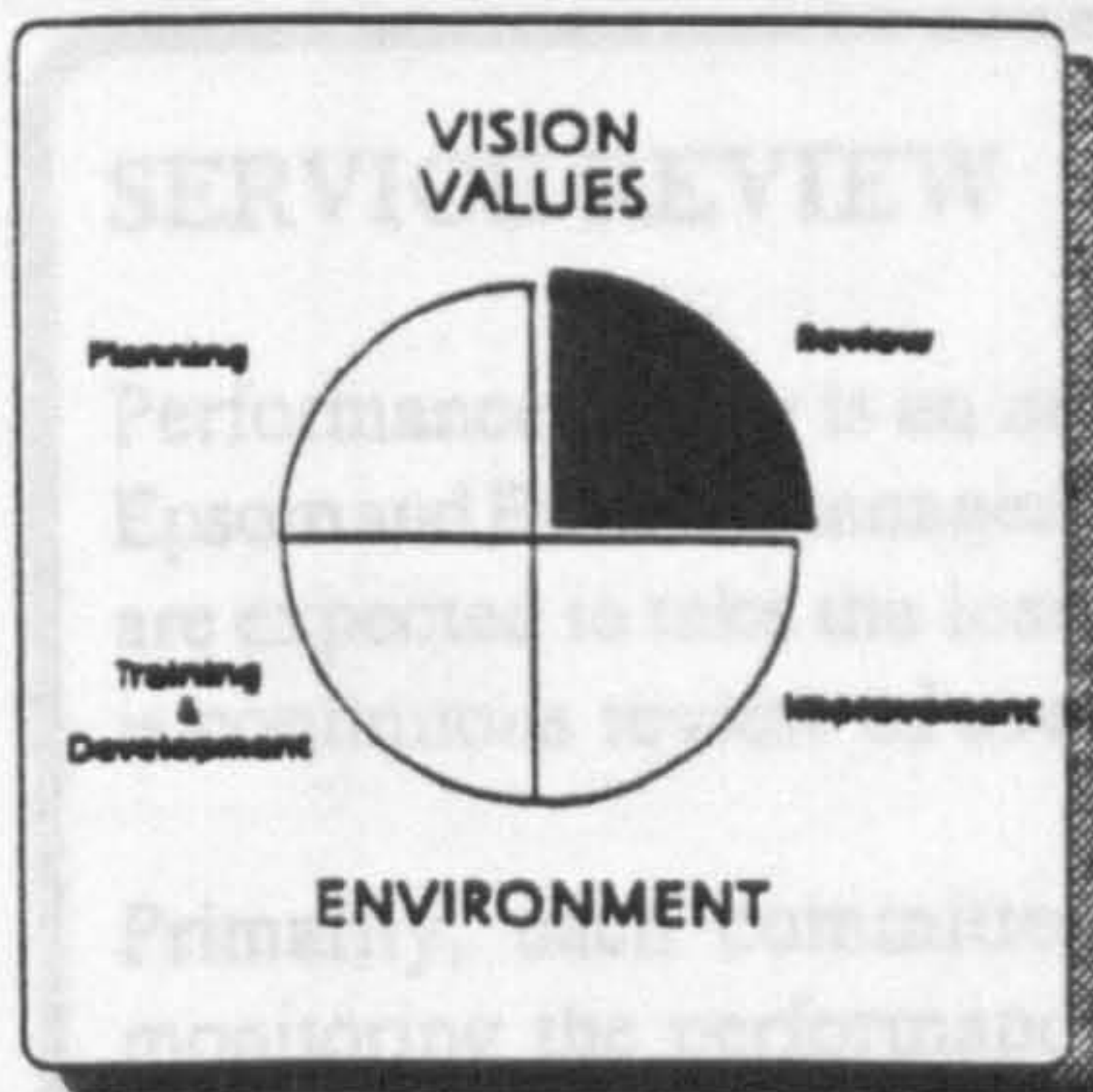
The day to day running of Council services is managed through cost centres, which are grouped with similar services in departments. Some central services are not covered by cost centres and are run as businesses. Business units set objectives, indicators and targets in their business plans. These are not included in the policy book but are monitored by appropriate resource sub-committees.

The link between planning and action is made at the level of individual staff members. Managers take cost centre or business plan objectives into account when setting performance standards and targets for staff. The system is designed to discourage ad-hoc planning throughout the year. Each level of the organisation must assess its priorities and evaluate the resources it requires before committing to any course of action.



CONTINUOUS IMPROVEMENT - MANAGING PERFORMANCE AT





*Epsom and Ewell - Working to continuously improve the service it provides by responding to those it represents.*

## PERFORMANCE REVIEW

### INDIVIDUAL PERFORMANCE APPRAISAL

Appraisal is a key part of managing individual and organisational performance. It forms the link between individual performance and departmental, service and corporate objectives.

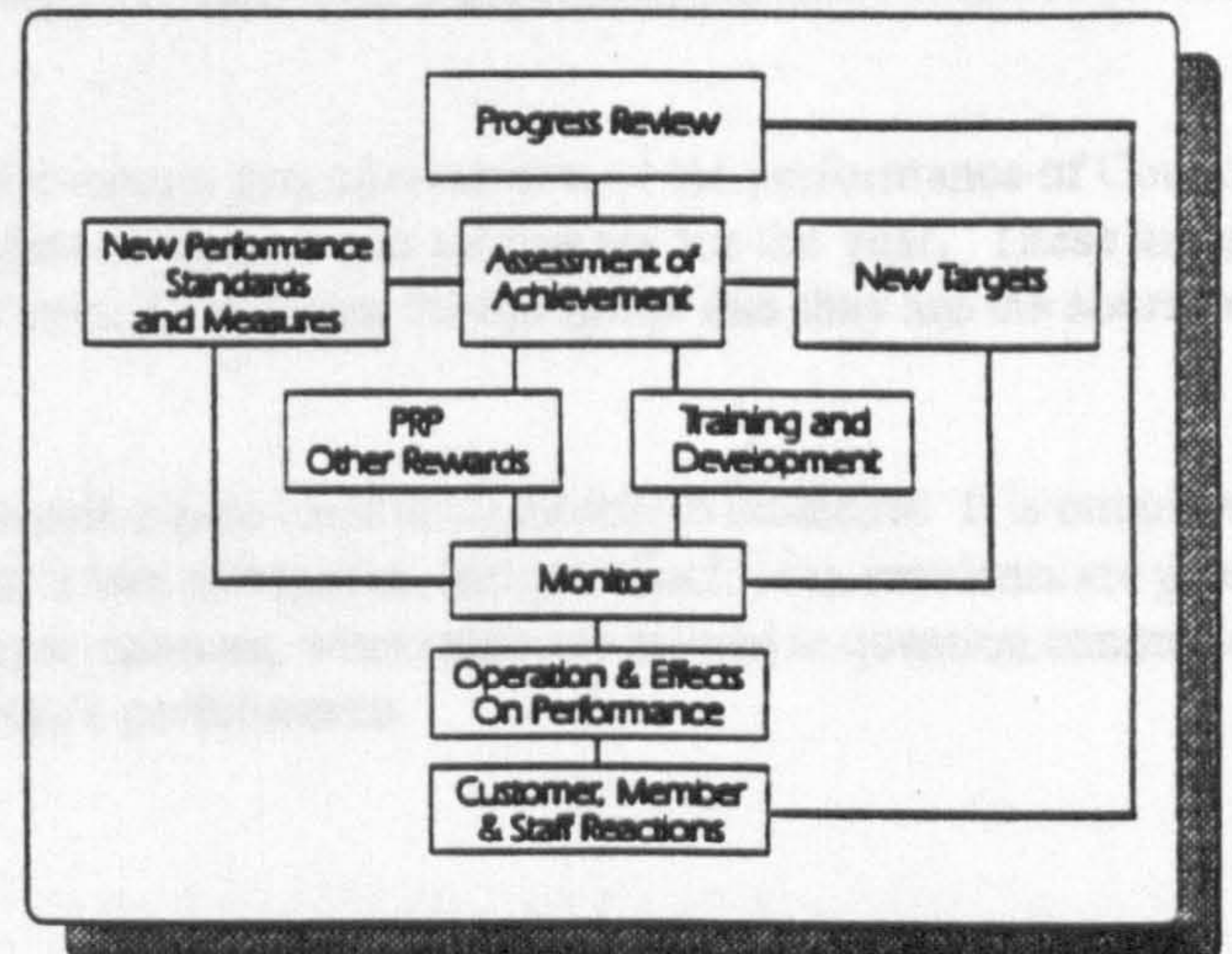
Performance appraisal comprises two elements:-

#### *The performance appraisal interview*

Managers and staff review progress over the past year and set performance standards and targets for the coming year. These are reviewed regularly during the year.

#### *Personal Development Meeting*

Managers and staff discuss training and development requirements arising out of the performance appraisal interview and agree a personal development plan. This is also reviewed regularly.



### PERFORMANCE RELATED PAY

Performance Related Pay (PRP) provides a means by which individual achievement can be recognised and rewarded. Epsom and Ewell Borough Council introduced PRP for all staff in 1990.

The award of PRP is tied to achievement of specific work standards and targets over the year. Through performance related pay, the Council has firmly established that it will value and reward staff who work to maintain and improve performance levels.

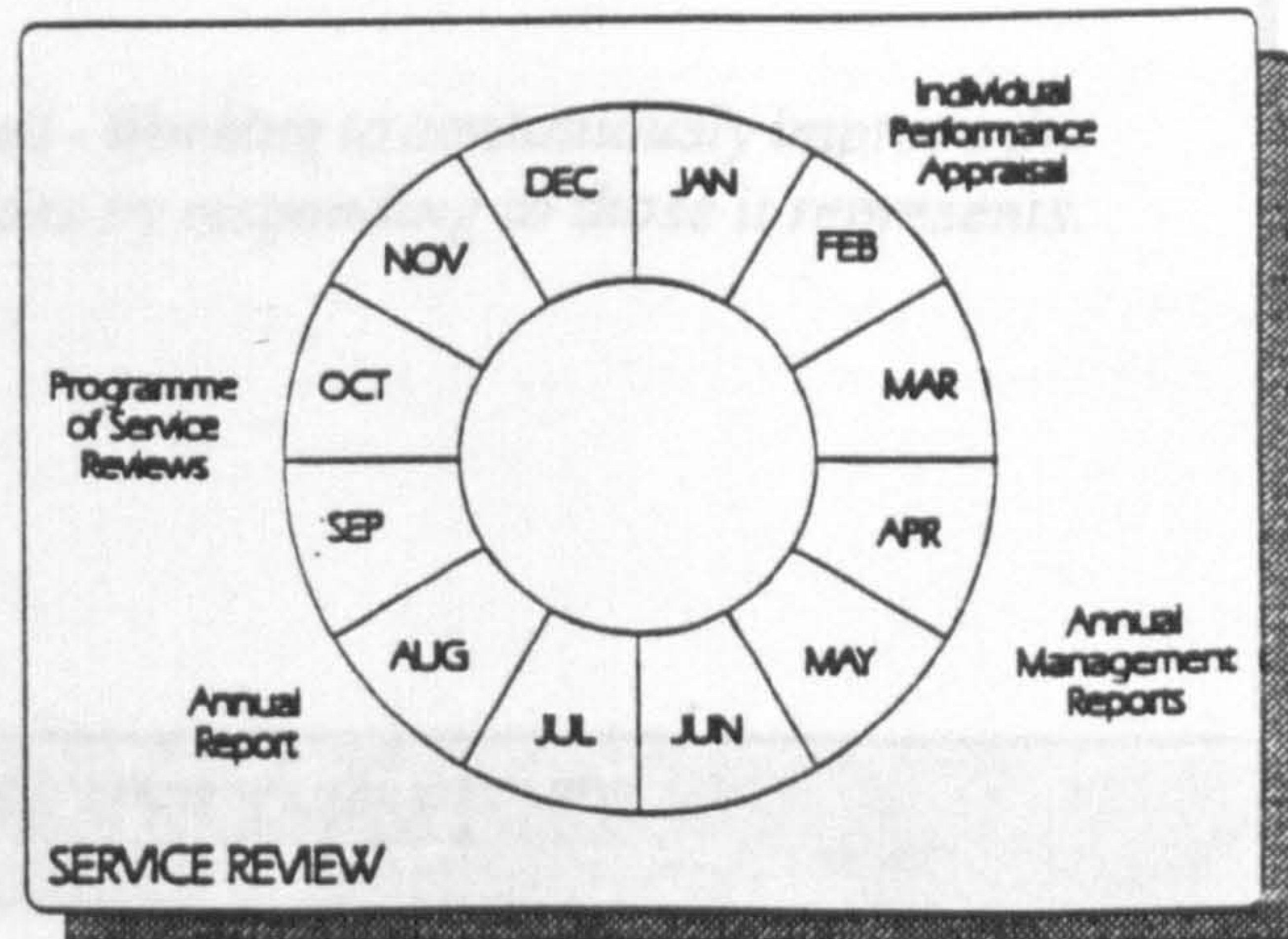
**CONTINUOUS IMPROVEMENT - MANAGING PERFORMANCE AT**



## SERVICE REVIEW

Performance review is an integral part of the way Epsom and Ewell is managed. Service Committees are expected to take the lead, to ensure that there is continuous review of every aspect of service.

Primarily, each committee is responsible for monitoring the performance of the cost centres and business units under its control. Committees have developed monitoring plans, outlining when performance indicators for cost centres and business units will be reported during the year. A small number of key indicators are reported at every Committee meeting.

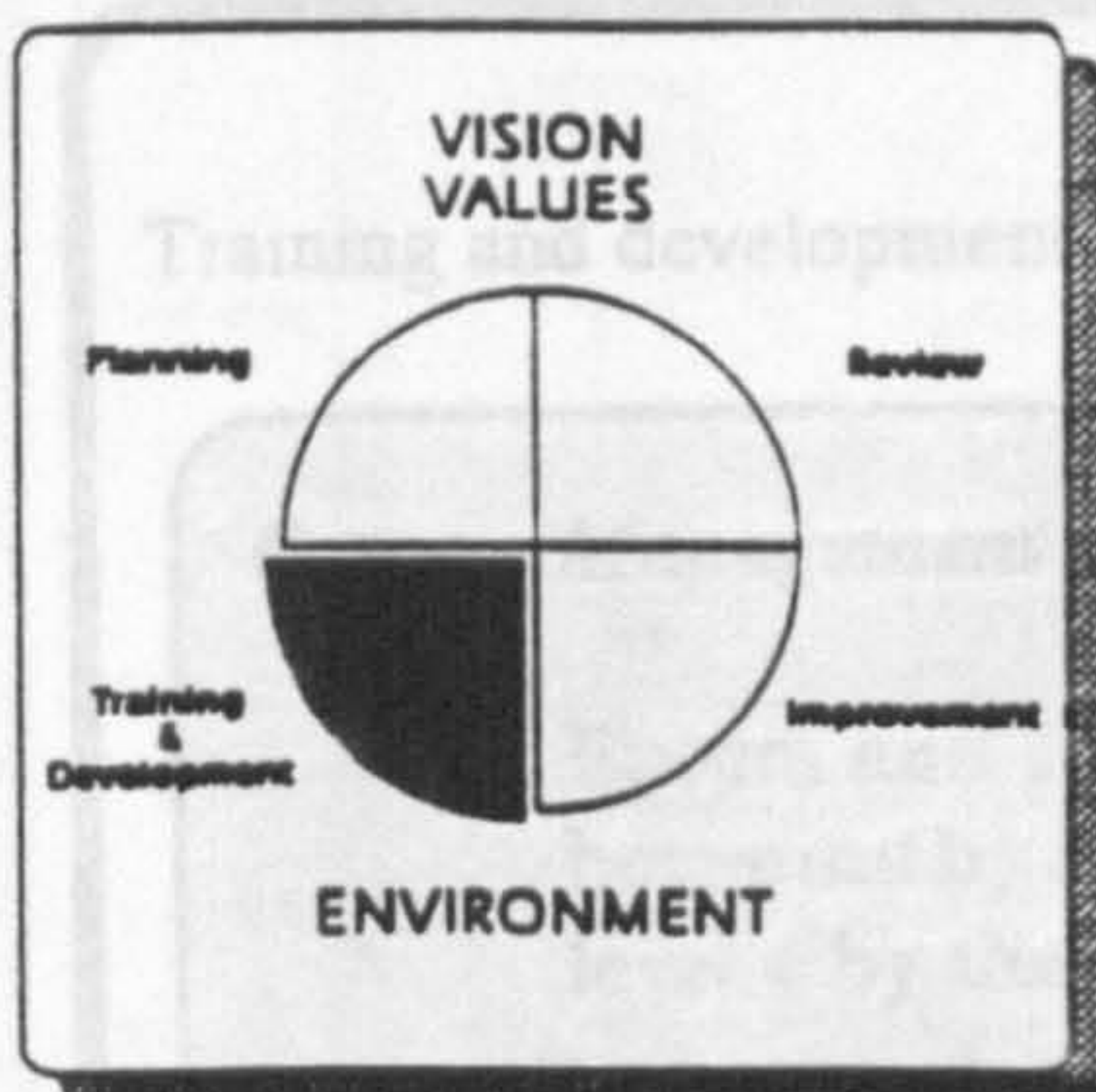


This system of continuous review has been adopted as the most effective method to monitor performance. However, the Budget and Performance Review Working Party also oversees the system and undertakes a programme of service reviews each year, investigating services where there is an opportunity to improve value for money, customer care or performance.

At the end of the financial year, annual management reports give an overview of the performance of Council services. They compare actual performance against objectives and targets set for the year. These are an important tool for Committees to assess past performance and plan for the future and they are the source of the annual report.

The annual report is one channel by which the Council makes itself accountable to residents. It is circulated to every household in the borough with the Council's free newspaper, Insight. Each year, residents are given their chance to respond to the annual report in an open meeting, where they are invited to question committee chairmen and chief officers about the previous year's performance.





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## TRAINING AND DEVELOPMENT

### AN IMPORTANT RESOURCE

*At Epsom and Ewell, the training budget is 2% of the salaries budget.*

Epsom and Ewell Borough Council recognises that people are its most important resource. The Council depends on the people it employs to achieve its objective of improving the service to the public.

The Council is currently working towards an Investors in People Award, which is a national scheme whereby organisations are recognised for providing training and development in order to meet their corporate objectives.

#### *Training and Development*

The performance management system aims to improve the efficiency and effectiveness of the Council's services by encouraging all employees to achieve and maintain high standards of performance. An important part of this process is to identify employees' training and development needs to help them increase their job satisfaction and develop to their full potential.

Individual training needs are identified as part of the performance appraisal process. Appraisal interviews take place between January and March each year and a training programme is then put together to meet the needs identified in the appraisal process.

CONTINUOUS IMPROVEMENT - MANAGING PERFORMANCE AT



Training and development needs are met by a variety of means:-

- ***Management Training***

Epsom and Ewell Borough Council is committed to effective management and this is borne out by the fact that every manager should be qualified to at least Management NVQ level 4 by the end of 1995.

- ***Induction Training***

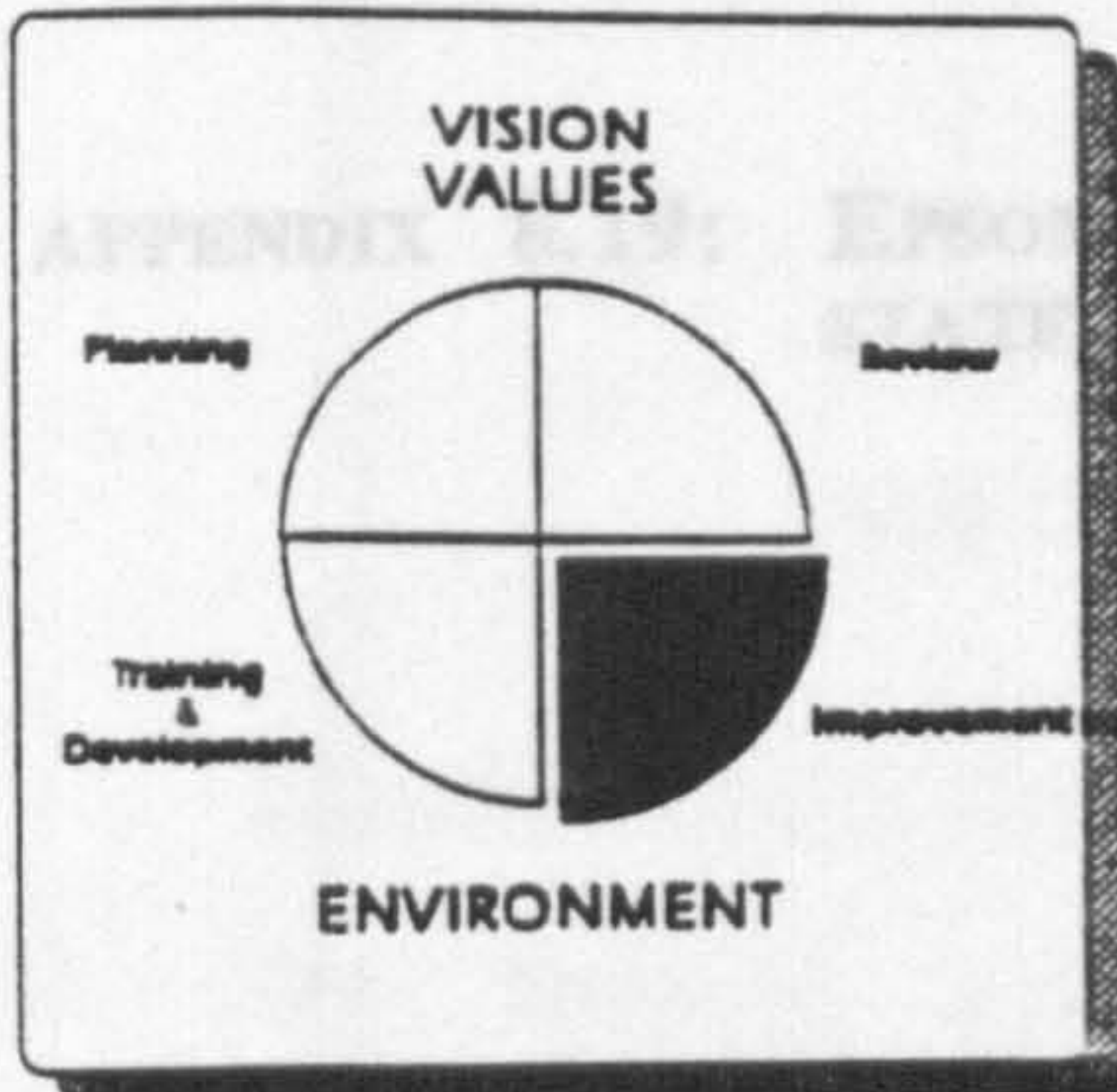
Induction programmes are held each year, covering structure, culture, conditions of service, basic finance and health and safety. All new staff attend each module.

- ***Information Technology Training***

The Council recognises the importance of new technologies and many staff have undergone training in the Council's common software packages.

- ***Courses Organised To Meet Common Needs***

Numerous courses have been organised to meet needs which are common to a number of employees. These include assertiveness training, time-management, presentation skills, business planning and stress management.



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## CONTINUOUS IMPROVEMENT

### FUTURE DEVELOPMENTS

While performance management is an internal process designed to ensure that the Council's goals and objectives are translated into appropriate action, it has not developed in a vacuum. It is a management tool which must be seen in the wider context of improving accountability and ultimately the service to the customers.

The Council's customers; whether residents, local businesses or voluntary agencies, are a vital part of the equation and it has been an important part of the process to ensure that their needs drive any move for improvement.

To achieve this, Epsom and Ewell Borough Council seeks to:-

- **improve accountability to customers through better communication,**
- **listen to customer needs, through market research, community consultation, complaints monitoring and other means,**
- **improve responsiveness by ensuring that customer needs feed into the Council's goals and objectives.**
- **develop the involvement of service users in the review and development of services through their involvement in working groups and review panels.**

**CONTINUOUS IMPROVEMENT - MANAGING PERFORMANCE AT**



APPENDIX 8.19: EPSOM AND EWELL'S HOUSING AND PERSONAL SERVICES STATEMENT

HOUSING AND PERSONAL SERVICES COMMITTEE

GENERAL FUND SERVICES

COMMITTEE SUMMARY

	1990/91		1991/92		1992/93	
	Actual	Original Estimate	Revised Estimate	Probable Outturn	Estimate	Estimate
	£	£	£	£	£	£
Housing Advisory Service	25,689	25,270	17,520	17,750	15,490	
Cox Lane Community Centre	93,106	101,120	52,480	52,230	53,650	
Longmead Centre	128,119	151,600	142,460	140,970	140,410	
Amenity Services	71,000	80,560	78,120	77,490	84,830	
Private Sector Housing	73,962	140,410	69,030	71,770	103,010	
Rent Allowances	79,475	177,110	222,650	219,970	244,890	
Homeless Families	301,549	254,970	244,210	244,480	293,650	
Home Loss Payments	0	3,440	4,140	4,150	4,350	
Gypsy Caravan Sites	5,183	12,540	3,270	3,330	580	
Rent Rebates	70,947	108,920	94,040	92,240	98,190	
Warden Services	58,013	66,770	69,230	80,420	71,990	
Meals for the Elderly	70,765	87,660	92,110	91,240	88,310	
The Cedars Centre	53,794	59,520	97,620	93,010	64,900	
Wells Social Centre	10,768	15,400	14,850	14,730	16,690	
Minibuses	45,154	40,140	54,820	54,470	58,890	
Community Alarm	54,017	57,540	26,710	26,140	9,010	
Cox Lane Luncheon Club	5,433	8,780	6,990	6,850	6,180	
Cemetery	32,531	46,350	41,000	42,910	44,760	
Parish Churchyards	12,460	14,140	14,440	14,430	14,530	
Environmental Health (General)	266,267	297,750	285,070	300,410	353,860	
Contributions to Voluntary Bodies	42,886	51,640	91,840	91,570	101,560	
Gypsies (unauthorised encampments)	0	0	7,500	7,500	8,080	
Committee Servicing (Licensing)	0	0	3,460	3,390	5,740	
Committee Servicing	115,534	135,920	79,255	76,700	82,010	
<b>Total Net Requirements</b>	<b>1,616,652</b>	<b>1,937,550</b>	<b>1,812,815</b>	<b>1,828,150</b>	<b>1,965,560</b>	

**SERVICE POLICY STATEMENT - 1992/93****HOUSING AND PERSONAL SERVICES COMMITTEE****(A) HOUSING SERVICES**

- (1) The Council adopted its housing strategy on 14 October 1986. The report presenting it took into account the Council's substantially reduced housing stock, resulting from the Right to Buy provisions of the Housing Act 1980, the increase in numbers of homeless families accommodated and taken into temporary accommodation, and a number of other features which especially affect the Borough. During the last year, the number of cases accepted as homeless has doubled.
- (2) The housing stock has continued to decline (1,831 properties at 1 April 1991), and with the need for reasonably priced available housing being ever more acute, the strategy is summarised below.
- (3) **The Proposed Strategy**
  - (a) Continue/strengthen links with agencies such as Building Societies and Housing Associations to encourage the provision of further housing resources in all sectors especially for the priority groups on the waiting list.
  - (b) Specifically promote the provision of more low cost/starter homes in the Borough, to sell or to rent, including the provision of shared ownership schemes. In this connection, the Planning Committee should be asked to apply such influence as it can with Planning applications.
  - (c) Promote the Housing Advice Centre as a means of advising members of the public, and guiding them towards alternative types of accommodation.
  - (d) Acknowledge the short and longer term needs involved in the upkeep and maintenance of municipal housing, and to maintain a high standard of Council housing. Continue to develop the planned maintenance programme.
  - (e) To meet the aspirations of Council tenants with regard to service delivery, and to ensure that regular consultation takes place.
  - (f) To examine its own land holdings with a development potential and to request that the Council also examines its total holding to see what potential might exist for housing development. To seek ways of securing housing through other means, such as on land not currently within the ownership of the Council through involvement with Planning Policies.
  - (g) To continue to offer house renovation grants for the repair and improvement of older housing and for adaptations for the disabled. To enforce the provisions of the Housing Act 1985 in relation to houses in multiple occupation and dwellings in disrepair, or otherwise unfit. To offer minor works grants in appropriate cases.

(4) Detailed Considerations

Particular attention is drawn to the changing role of the housing service provided by the Council. With a severely limited ability to finance anything beyond repair and improvement of its diminishing housing stock, the role of provider of homes for the future is also reducing. To satisfy local needs, therefore, the enabling role to secure homes by other means is one which is not only encouraged by central Government but also necessary because of the Council's small housing stock. To this end, land has been passed to Housing Associations at nil cost to provide a total of 43 units for Homeless families. Whilst the units will be within the ownership of the Housing Associations, nomination rights will be available to the Council. Other partnership schemes are under discussion, and offer a short-term response to the increasing housing needs within the Borough. Other sites outside the control of this Committee have also been examined by Housing Associations, although the need for housing may have to be balanced against the requirement for capital receipts. Other powers available to the Council can be employed to further the enabling role. For example, discussions with the Planning Officers support the view that agreements can be reached with private developers using private land to obtain housing resources in return for consents granted. Such means of enabling applicants to be housed in dwellings not within the Council's ownership must be pursued as part of the future housing provision within the Borough. As part of a longer term strategy, consultants are currently assessing various options relating to the management of the Council's stock. These range from continuing to manage the housing stock (as at present), to the transfer of all properties to a Housing Association. Certain of these options would allow greater finance to be available to help address the local housing need.

- (5) The above policy statement has been used as the basis of the Council's HIP submission and will also form the basis of the capital and revenue budgets for 1992/93.

(B) PERSONAL SERVICES

- (1) The aims of the Council's Strategy for Personal Services are as follows:-
- (a) To provide a basis from which the Council can plan its services for the elderly of whom there are a high proportion in Epsom and Ewell. The strategy needs to be responsive not only to current demands but also to future projections and forecasts of both numbers of elderly and patterns of care. It is known, for example, that not only are people living longer but also wherever possible they will be expected to remain for as long as possible in their own homes.
  - (b) To provide services for those other groups in the community such as those with physical and mental disabilities who will also require community care.
  - (c) To relate the activities of the Personal Services division to the development of Community Care Plans involving Social Services, Mid Surrey Health Authority and Voluntary Organisations.

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**APPENDIX 8.20: EPSOM AND EWELL COST CENTRE INFORMATION**

	1990/91		1991/92		1992/93 Estimate
	Actual	Original Estimate	Revised Estimate	Probable Outturn	
<b>HOUSING AND PERSONAL SERVICES COMMITTEE</b>	£	£	£	£	£
<b>GENERAL FUND SERVICES</b>					
<b>HOUSING ADVISORY SERVICE</b>					
<b>EMPLOYEES</b>					
Operational	14,642	13,240	8,820	8,820	9,120
Departmental Support	3,722	4,240	3,660	3,660	2,020
Central Services	400	600	1,470	1,470	880
<b>OFFICE ACCOMMODATION</b>					
Departmental Support	1,131	1,070	630	580	370
Central Services	30	80	70	60	150
<b>ADMINISTRATIVE EXPENSES</b>					
Departmental Support	3,000	3,100	1,620	2,030	1,760
Central Services	2,764	2,940	1,250	1,130	1,190
<b>TOTAL EXPENDITURE</b>	<b>25,689</b>	<b>25,270</b>	<b>17,520</b>	<b>17,750</b>	<b>15,490</b>
<b>NUMBER OF EMPLOYEES</b>					
Operational		0.8	0.6	0.6	0.4
Departmental Support		0.2	0.2	0.2	0.1
Central Services		0.0	0.1	0.1	0.0
<b>RESOURCES</b>					
Enquiry Point located at 'The Pines'					



**COST CENTRE OBJECTIVES 1992/93**

**COST CENTRE:** Housing Advisory Service

**MANAGER:** G Waters

**COMMITTEE:** Housing and Personal Services **POST:** Housing Manager (Policy)

**FUNCTIONS:** To provide accurate and relevant information on housing (both public and private sector) to the public.

**OBJECTIVES:**

1. To offer a professional and readily available housing advisory service at the Town Hall.
2. To keep up to date literature for the public on housing.

**PERFORMANCE INDICATORS:**

- 1a. Availability of the service.
- 1b. Training of staff.
- 1c. Tenants meetings.
- 2a. Availability of literature.
- 2b. Updating of the information booklet on housing application systems and policy.

**TARGETS:**

- 1a. That an Officer is always available between 9am and 5pm on weekdays to give housing advice.
- 1b. That all front-line staff have had some relevant training (eg interviewing techniques) by March 1993.
- 1c. That at least one tenants meeting is attended by the Housing Manager (Policy) in 1992/3.
- 2a. That literature is always available on all current housing topics and that housing advice information is always on hand to be taken away.
- 2b. That the booklet is updated by the end of March 1993.

**HOUSING AND PERSONAL SERVICES COMMITTEE**

1990/91	1991/92			1992/93
Actual	Original Estimate	Revised Estimate	Probable Outturn	Estimate

**GENERAL FUND SERVICES**

**HOMELESS FAMILIES**

**EMPLOYEES**

Operational £ 11,884 £ 12,430 £ 8,320 £ 8,320 £ 8,540

Departmental Support £ 2,521 £ 2,110 £ 4,510 £ 4,510 £ 6,050

Central Services £ 3,601 £ 4,890 £ 340 £ 340 £ 400

**OFFICE ACCOMMODATION**

Departmental Support £ 678 £ 560 £ 660 £ 600 £ 490

Central Services £ 469 £ 710 £ 40 £ 40 £ 50

**ADMINISTRATIVE EXPENSES**

Departmental Support £ 2,461 £ 2,580 £ 1,540 £ 1,930 £ 2,300

Central Services £ 3,541 £ 3,990 £ 1,100 £ 1,040 £ 1,290

**SUPPLIES AND SERVICES**

£ 351,010 £ 308,000 £ 308,000 £ 308,000 £ 407,790

**TOTAL EXPENDITURE** £ 376,163 £ 335,270 £ 324,510 £ 324,780 £ 426,910

**RENTS**

£ 74,614 £ 80,300 £ 80,300 £ 80,300 £ 133,260

**TOTAL INCOME** £ 74,614 £ 80,300 £ 80,300 £ 80,300 £ 133,260

**NET EXPENDITURE** £ 301,549 £ 254,970 £ 244,210 £ 244,480 £ 293,650

**NUMBER OF EMPLOYEES**

Operational 0.6 0.5 0.5 0.3

Departmental Support 0.1 0.1 0.1 0.1

Central Services 0.2 0.0 0.0 0.0

**COST CENTRE OBJECTIVES 1992/93**

**COST CENTRE:** Homeless Families

**MANAGER:** Graham Waters

**COMMITTEE:** Housing and Personal Services **POST:** Housing Manager (Policy)

**FUNCTIONS:** To provide accommodation for homeless families by the use of bed and breakfast establishments, and leased accommodation.

**OBJECTIVES:**

1. To ensure that the establishments used are of a sufficient standard.
2. To obtain the best value for money.
3. To keep family units together wherever possible.
4. To use bed and breakfast establishments only as a last resort.
5. To manage the arrangements for accommodation.

**PERFORMANCE INDICATORS:**

- 1a. Visits to the bed and breakfast establishments.
- 1b. Checks by the appropriate bodies (to include EHOs) before use of the establishment.
2. Costs of accommodation to the Council.
3. Percentage of occasions where it has not been possible to keep family units together.
4. Numbers in establishments.
5. Visits to new tenancies.

**TARGETS:**

- 1a. That each bed and breakfast establishment is visited once a month.
- 1b. That each premise has been visited prior to use.
2. That the costs do not rise more than 10% of the 1991/92 figure during 1992/93.
3. That no more than 5% of all homeless families are split up.
4. That the numbers in the establishments does not rise beyond 25% of the end year figure for 1991/92.
5. That all families in bed and breakfast accommodation are visited within three months of occupation.

**APPENDIX 8.21: COMPLETED QUESTIONNAIRES FOR EPSOM AND EWELL**

**QUESTIONNAIRE FOR PERFORMANCE REVIEW OFFICERS**

**GRAHAM PETTY - ASSISTANT CHIEF EXECUTIVE (POLICY)  
KEITH HORNER - HEAD OF MANAGEMENT SUPPORT**

**SECTION A  
BACKGROUND**

- 1. Was the proposal to introduce performance review initiated by officers or members?**  
The whole exercise was led/driven by officers. Whilst I think members recognised the value in going down this route, they would I think have been quite happy to continue along the same path indefinitely simply because they don't like upheaval or change. The officers, in collaboration with the Chief Executive were going in the direction of performance management. We got consultants in to do a thorough review of the organisation and the system emerged from this exercise. The proposal to introduce performance review was undoubtedly officer-driven though.
- 2. Was any other review process operational prior to the introduction of the PR system? If yes, is the current system a modified/enhanced version of the previous process?**  
No review process previously existed relating to performance. There was a budgetary review process with budgets modified to take account of budget-setting but we were at the early stages of developing this.
- 3. What were the reasons for introducing the current system?**  
The idea of performance review started back in 1986 with statutory-type statements like "we want to be an organisation that rewards performance of the staff, to target our objectives etc." Prior to the consultants exercise, which was seen as an essential ingredient in this operationalising, we went through a process of setting corporate and departmental objectives but it really was laying foundations rather than actively working. We then had a major consultants exercise which dealt with the structure of the organisation, management systems, pay, conditions of service etc., and one part that came out of that whole package was a performance review system. The system thus, is an integral part of the management of the revamped authority. I suppose the key reasons for introducing the system were to improve management and performance; to force managers to think about their objectives; to improve the budgetary process; and to improve the information available for members and the public regarding our services.
- 4. Does your council have a Mission Statement or Statement of Objectives?**  
Epsom and Ewell produces a 'Policy Book' which has as its first page the authority's Mission Statement. This is followed by A Statement of Corporate Policy which comprises of 10 aims each having several identified actions associated with achieving these.

## **SECTION B ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

1. **What measures were taken to draw support and involvement from officers in setting up the PR process?**  
When we decided to embark on the consultants review, we set up a working party of members and chief officers and this group determined the specifications of the consultants exercise. We worked through the exercise with the consultants. What came out of the review, was a report written by the consultants but which had been developed by the joint working party and thus reflected their needs and aspirations. A few officers were a little lukewarm but because of the drive behind the review, they were overshadowed and I think we now have nearly full ownership of the system on the officer side.
  
2. **What measures were taken to draw support and involvement from members in setting up the PR process?**  
Members formed part of the joint working party who worked collaboratively with the consultants to develop the current system. Members recognised that performance review was a sensible procedure given the way the organisation was to be run.
  
3. **Were goals and targets formally set before the introduction of the PR system?**  
Prior to the consultants review, we were beginning to address the issue of identifying where we wanted to go as an authority and we had reached the stage of delineating corporate objectives but these were always seen as forming part of the new culture and were quite rough and ready. I suppose we didn't really have formal goals and targets prior to this system being introduced but we were moving in that direction.
  
4. **How were policy targets set for the PR system and who set them?**  
The political make-up at Epsom is unique being predominantly Residents Association, and as a result our members have not got clear policies but tend to concentrate on nitty-gritty things like holes in the road. They seem quite content to leave policy-making to the officers which is good in some ways but I feel the lack of member commitment detracts from our effectiveness. Additionally, you never know what their reaction to reports will be and occasionally they respond unexpectedly. Relevant officers advise each committee what the targets to go into the Policy Book. These are occasionally modified in the light of member input but normally go through unadjusted. We have a role to make sure that the format is right and that objectives, indicators and targets are not confused and that a relationship exists between the three.
  
5. **How were performance measures set for the PR system and who set them?**  
Each committee has its own performance monitoring plan comprising of its objectives, a set of performance indicators relating to these, and relevant targets. Each committee sets these themselves and it is our job to see that this occurs. Most rely on officer input, particularly the cost-centre manager but a few with dynamic chairs may recommend adjustments/modifications to officers suggestions. It is one of our key objectives that this system is owned by our managers and members to a lesser degree, and whilst it would be simple for us to go in and set the measures we try and leave it to officers. We are here if help is needed but try to avoid imposition.

- 6. What were the main technical problems encountered in implementing and operating the PR system?**  
I think the biggest difficulty was in making the process and paperwork user-friendly and in ensuring that all managers were approaching the exercise from the same direction.
- 7. Were any other major difficulties or problems encountered in setting up the system?**  
It was difficult to strike the balance between making managers feel that they own the system and getting some sort of consistency and logic behind what we were doing. A few managers particularly below chief officer level do not feel ownership of the system but rather that it has been imposed. Performance appraisal and performance-related pay help to break down that kind of resistance.
- 8. Did your authority draw on the experience of other authorities when setting up the PR process?**  
Not directly but the model suggested by the consultants will inevitably reflect experiences elsewhere and in inputting into the development of our PR system, chief officers were aware of what was going on in other authorities.
- 9. Did your authority make use of internal/external consultants?**  
We extensively used external consultants to review the authority and it was the result of this exercise which gave rise to our review system.

## **SECTION C**

### **THE PERFORMANCE REVIEW SYSTEM**

- 1. When was the PR system first introduced?**  
Late 1989 - early 1990.
- 2. Over what time period was the PR system introduced?**  
It took approximately 6 months to get the basic system up and running but it is continually being developed/ upgraded.
- 3. How does performance review fit into the corporate management structure?**  
The Head of Management Support does the day-to-day work and has the contact with cost centre managers re. objectives, targets and indicators. Fundamental decisions relating to review or the review process are taken at Chief Officers Group for which a paper will have been prepared by Management Support. My work is overseen by the Assistant Chief Executive (Policy) who is there if I need guidance. All senior managers have responsibilities though.
- 4. Which Committee has responsibility for performance review?**  
Notionally the Performance Review and Personnel Sub-Committee because of the link we have made between performance review and appraisal and PRP. They take an overview of the system only. In effect all committees operate their own review mechanism by identifying their objectives etc. We are seeking ownership from committees as well as officers.

- 5. What is the designate of the officer responsible for performance review?**  
The Assistant Chief Executive (Policy) has overall responsibility for the operation of performance review in the authority. The Head of Management Support has day-to-day responsibilities for overseeing the process takes place and giving advice to managers.
- 6. Which officers carry out PR work? (e.g. policy planners, internal auditors)**  
All our officers are involved in the review work. We do not have a review team as such but rather have all managers carrying out review as part of effective management but co-ordinated at the centre by Management Support.
- 7. How many staff are specifically involved in performance review?**  
There are 4.5 FTEs in the Management Support Unit but we cover a wide range of activities. Our involvement in performance review peaks around the time when the Annual Policy Book is being put together so it is difficult to quantify the Unit's time input into the review process but I would approximate it to about 1 FTE. Likewise, we don't know how much input there is from senior managers in producing their objectives etc. or how much effort they expend monitoring their progress throughout the year. We can say with certainty that they are all supposed to be involved in performance review.
- 8. Do officers continue to support and participate in the PR process?**  
Senior officers undoubtedly are. Below this level, I'm not sure that all our officers are aware that Epsom and Ewell has a performance review system because it is so integrated into the management of the authority. Certainly all our officers participate in the PR process although sometimes indirectly, and there is no evidence that they don't support it. Some may find the process a bit of a nuisance but I am not aware of any hostility.
- 9. Do members continue to support and participate in the PR process?**  
Member participation is confined to committee input into the process through members choice. They are clearly supportive but I would like to see more participation or at least enthusiasm.
- 10. Is there any mechanism for communicating knowledge of process and performance targets to junior management or operative grade staff?**  
For junior management individual targets and objectives set during the performance appraisal system should cascade down from the Vision Statement and Corporate Policy Statement, through the Service Policy Statements and the Cost Centre Objectives. I'm not sure it yet works quite so systematically but they are linked. Operative grade staff lack such information. I'm not sure this will improve for logistic reasons.

- 11. Are consumer measures identified within the PR system and were the views of consumers sought before the system was drawn up?**  
 We introduced a customer care policy a couple of years ago following a survey and the members are keen that we keep in close contact with the customers. Being RA councillors they are fairly in touch with their electorates views (relatively speaking) but still think a customer care policy is useful. As yet, consumer measures are not systematically part of our PR system, but as our indicators develop we would expect customer measures to feature strongly. The information gathered from the customer care policy should inform this process. We have just conducted a full residents survey and the results of this will be passed onto senior managers. Where appropriate, they should build consumer views into their planning/monitoring process.
- 12. Are measures of quality incorporated into the PR system?**  
 I think we do see quality as an important ingredient in the performance review system but we are as yet, unclear about how to approach quality measurement. I suppose we ultimately want the customer to define quality - there is no point in us setting a level of service which we consider acceptable, if this is at odds with what the customer regards as a quality service - and would hope that our customer care policy and the consumer measures we build into our review mechanism, will suffice and satisfactorily incorporate quality.
- 13. Is any attempt made to distinguish between economy, efficiency and effectiveness in the performance measures utilised?**  
 No not at present. I'm not sure how useful it would be to categorise measures so systematically. Even if desirable, because of our political make-up and our lack of policy-drive, I'm not sure we could identify effectiveness indicators at this stage. Most of our indicators touch on economy and efficiency but the indicators selected for each service area are at the discretion of the relevant committee.
- 14. Is a distinction drawn between operational (day-to-day) measures and strategic targets?**  
 The majority of our review system is operational reflecting the lack of political drive in Epsom and Ewell because of our Residents Association Councillors. We are gradually moving towards a stage where we are more strategic in approach but are a long way from having set strategic targets as such. Review in this authority is about the level of service provision to our customers/ clients so we naturally concentrate on detail. We are organised around small cost centres so this compounds the difficulties of formulating strategies. As we move towards larger business units, this should become easier.
- 15. Does the PR process operate across all departments in the authority? If it does not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?**  
 All departments are fully incorporated into our review process.



**16. How is the PR system linked to the policy planning/strategic planning process?**

We do not yet have a formalised strategic/policy plan but we have started developing the bones of our strategic plan on the basis of the information and knowledge accumulated in operating the review process so far. We have a few 3-year departmental plans but we are only now corporately working on our strategic direction and the cascading this down. At present, each committee's policy statement is vague and unspecific. By identifying organisational strategy from the centre we would anticipate that these would gradually modify Policy Statements into something more useful and that in time this would fuel meaningful objectives and targets. It is a slow process.

**17. How would you describe your councils budgetary process? (e.g. zero-based, incremental)**

We have a budget strategy which has been up until the current year, a 3 year programme. We are now moving into a 5 year programme. This identifies what our level of expenditure will be for the coming years. At the start of the 5 years, we look at our priorities, commitments etc. in setting this. Previously we were operating incrementally. Since the system was introduced, I think we are somewhere between incremental and zero-based. We don't wipe the slate clean each year but nor do we just add 10% to everything.

**18. How is the PR system linked to the budgetary process?**

The link is not systematic yet, but the process of identifying objectives, indicators and targets, has prompted members to question much more the allocation of resources. This is an area which undoubtedly needs strengthened and I know that this is an area that the Chief Executive is keen to develop. In future years, cost centre managers will need to come forward with a range of options for service provision with an associated set of costings. The Budget Review Group will receive these and take a corporate overview as to what the council should be doing and select accordingly. I'm not sure the practice will be as simple as the theory because of our lack of political momentum - at present, we don't even have clear priorities.

**19. Is the PR system linked to performance appraisal and/or performance-related pay?**

Before we introduced this review system, we had performance appraisal but it was fairly ineffective because it lacked a coherent framework. Our appraisal system is now fully functioning and we have added in performance-related pay. This is for all staff in the council which has helped the effectiveness of the system - it is perceived to cascade right down so everyone has identified for them, their key result areas, the standard for their key result areas and their targets. In this way performance management should permeate the whole organisation.

**SECTION D  
GENERAL VIEWS OF SYSTEM**

**1. Do you consider the current institutional arrangements relating to performance review satisfactory?**

On the whole they are satisfactory, but I would like to see some mechanism identified and introduced which would ensure that objectives, indicators and targets for each cost centre are more consistent.

**2. Have any major changes been made to the PR system since its introduction?**

There have been no major changes to the system but we have tried to gradually make improvements and in particular to strengthen the link between objectives, indicators and targets. I don't think that our system is static but will evolve/improve as the organisation develops and in particular becomes more strategic. Whilst it shouldn't change drastically, to be viable it needs to be dynamic.

**3. Have there been any significant changes in the organisation of your authority since the PR system was established and did the system cope and do you think it could cope with significant organisational changes?**

There have been changes in key personnel and we have merged two departments. The way the system is set up means that changes should not impinge on the operation of the review system. However, a fundamental change or redirection may be different. Performance review is an integral part of our management process and whilst this authority exists I expect that to continue, but nothing is indispensable. If Epsom were reorganised and we got a new Chief Executive, we may find that we have to start from scratch again. The culture has changed and people I think would more readily accept a new review system in such an event. I suppose if central co-ordination didn't occur, then the process might drift a bit and ultimately peter out but I think it is sufficiently bedded into the organisation that this would not occur.

**4. What do you consider to be the main strengths of the PR system?**

Performance management including review has become the way that we as an organisation manage ourselves - rather than being a process which overlays the way we work. This has undoubtedly eased its introduction and initial viability in the authority. I think the PR system has forced people to think about why they are here and what are they here to achieve which is not possible with ordinary day-to-day reactive management. I think it is a management tool that gives you a discipline. It provides a base from which we can develop strategy and respond to other initiatives like CCT and Citizen's Charter. I think it has helped officers deal more effectively with members. They can set objectives and demonstrate progress towards the objectives. There is a much more comfortable, respectful officer/member relationship now which is partly attributable to the operation of performance review. Members now know what officers are doing/achieving. Previously they only knew what they weren't achieving. It does provide the means for rationalisation should that be necessary. For example, should redundancies be necessary then you can look at how people perform and weed our poor performers.

**5. What do you consider to be the main weaknesses of the PR system?**

The weaknesses are not really apparent yet but I would be cautious that it did not take over - it is only a means. I think we may have a problem with consistency in approach - it's almost as though too many managers are involved. We want to facilitate from the centre rather than direct but I'm not sure we have got the balance right yet. I am fearful, that as the system feeds into the budgetary process and resources are reallocated, that more squabbling occurs but perhaps it will generate more useful activity. Potentially, it could provide information for members to use as a stick to beat officers with but given the predisposition of our members, I don't think that is likely to occur here. There is a risk that managers will work predominantly towards their targets rather than delivering the services per se. Performance appraisal should protect against this but it is a danger.

**6. On the whole, do you consider performance review to have been successful?**

The review system has been introduced with very little associated fuss and is forcing managers to seriously think about why they are providing their services and how to quantify this. I think it is slowly changing for the better what is happening and so yes, I think it is successful.

**7. What are the most important future developments you would like to see in relation to performance review?**

I think you need to keep changing the system a bit to keep it moving forward and to prevent it from getting stale. I think we have to base it more around business units rather than cost centres to improve our ability in identifying strategies. I think we need to improve our corporate statements/policy planning documents so that we have more of a framework to hang review onto. I think we need to simplify things a bit. Currently, there are too many committees, cost centres and working groups and it can be difficult to see the wood for the trees. I would like to enhance commitment and ownership from some chief officers. Although it is an integral part of our management process, I think that some do not fully appreciate the value of it particularly those below chief officer level who are carrying out most of the work. I would like us to be able to stand back a bit and catch our breath and see how we could do it better - but there never seems to be any time - we have to work extremely hard at the moment just to stand still. I would like members to take more of an active role both in developing and operating the system. We are lucky we are given room to manage but some political input would be appreciated. Currently, they are too preoccupied with nitty-gritty.

**EPSOM AND EWELL BOROUGH COUNCIL**

**QUESTIONNAIRE FOR LEADING COUNCILLOR  
COUNCILLOR RON GEE - HEAD OF POLICY AND RESOURCES  
COMMITTEE**

1. **Which party has overall political control in your council?**  
No "party" has political control in Epsom and Ewell since 30 of the 39 council seats are occupied by Independent Residents Association members. Within this group, there is a very loose group system where we meet to discuss policies - we don't have the discipline of the big political parties and within the group nobody is in charge or can direct policies from down on high.
  
2. **What is the political balance of your council?**

Independent Residents Association	30
Liberal	6
Labour	3
  
3. **Was your political party in power at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
Residents Association councillors have dominated the Borough for a considerably long time and so I suppose were in power when the review process was implemented. The reorganisation exercise and the performance management initiative have been driven by officers but we are supportive of both the principle and practice of performance review. I think this support is strengthening as the benefits of review become increasingly apparent even though it has forced us to address issues we may rather not have e.g. objective-setting.
  
4. **Which committee has responsibility for the PR process?**  
We have a Performance Review and Personnel Sub-Committee of Policy and Resources which has overall responsibility for the system but all committees are involved in the PR process because all cost centres in each committee have objectives, indicators and targets specified.
  
5. **Were members involved in the development of the PR process?**  
Members were part of a joint working party which developed the system with Peat Marwick when they reviewed the authority. But predominantly it has been devised by the consultants and officers which I think is appropriate given that it is a management tool. Member input has been supportive.
  
6. **What part do you personally play in the PR process?**  
I am Chair of Policy and Resources which approves the Policy Book which forms the basis of the review system in this authority. We also manage the budget and the budgetary allocations obviously heavily impinge on the objectives and targets identified for each cost-centre. I keep an eye on the review process but try to avoid interfering - officers are paid to manage, not me.

- 7. What part does the majority group play in the PR process?**  
The Independents are not a cohesive majority group so it is difficult to answer this question. Committee chairmen have overseen the process for the cost centres which fall under their auspices but that is the extent of our involvement.
- 8. How are your Council's political objectives determined?**  
Because of our political make-up, we do not determine political objectives as such. We frequently meet to discuss policies and emerging issues but this is an open debate. There is a consensus of opinion within the Independent group but members are free to vote how they wish at Committee. There is also a Chairman's Group which meets to discuss in a more structured way policies and the way we are going forward but this is only to shorten committee meetings.
- 9. How are these incorporated into the PR system?**  
Each chairman has a fairly generous freedom of action of setting policies within his committee but these obviously reflect the opinions of other members and most chairmen know the parameters in which they can operate. If they are uncertain, they will bring the issue to Chairman's Group. The review mechanism has helped us as members to think more about the objectives of our services but we still rely heavily on officer advice in this respect.
- 10. Has the PR system helped your administration achieve its objectives?**  
I think PR has helped Epsom and Ewell focus on where as an authority it is going. It has given us direction but as an administration, we do not have clear objectives so I can't say that the process has helped their achievement. However, at committee level, then the review mechanism has helped members and senior managers identify objectives and to specify actions needed to achieve the objectives and the means of monitoring progress. In itself, this must help achievement.
- 11. Does the majority group and/or the minority group use the PR process for party political purposes?**  
The opportunities to use the review process for scoring political points are minimised in this authority because of our lack of political-orientation. In Epsom, performance review is a management tool but I can see how elsewhere it might have political overtones. Not only is it a stick to beat officers with but the opposition can attack the ruling group as well.
- 12. How does the PR system relate to the policy planning process?**  
We do not have a systematic policy planning process but rather leave policy-setting to each individual committee. At committee level, members are involved in identifying relevant objectives for cost centres and this underpins the review mechanism. I think in time the chief officers would be keen to see a more formal system of planning policies but our lack of political affiliation makes this problematic.
- 13. How does the PR system relate to the budgetary process?**  
Having set the budget for the Council, the committees will then get their allocations and then it is at the discretion of each committee how they spend it. Most allocate nearly incrementally to their cost centres for which objectives etc. are set. There is not a formal link between the two and I know this is an area the Chief Executive is keen to develop.

- 14. How have directors of service departments, directors of technical departments and the Chief Executive, related to the PR process?**  
 All the senior management in the authority have been active in developing the system and all relate well to it. Having got the system up and running, the Chief Executive has passed on responsibility to his Assistant CE whilst maintaining a watching brief. The chief officers have responded well as a team and all now know what is trying to be achieved.
- 15. What do you regard as the main strengths of the PR process?**  
 I think at committee level, it has forced us to identify what our policies are and made someone responsible for that policy. Every officer now knows his role within the authority and this has helped give the authority a consensus direction. I think it has encouraged dialogue between chairmen and chief officers, or at least provided a structure for discussions and this has ensured they are moving along together.
- 16. What do you regard as its main weaknesses?**  
 The policy aspect required strengthening which we are tackling via our budget overviews but this requires time. Individual committees perhaps don't sufficiently oversee target progress and a more consistent approach is needed - some chairmen are more severe with their senior managers than others and I think some officers set targets that they know they can achieve - they need to be challenging if they are going to improve activities. I think we may take the system for granted and assume that if we go through the process everything will fall into place. This is not the case - the system needs to be continually worked at and developed.
- 17. What are the most important future developments you would like to see in relation to performance review?**  
 I want to try and strengthen the role of the Performance Review and Personnel Sub-Committee and may in fact set up a Budget Review Group to link review with budgets more systematically, but you can't do everything at once. We need to let officers get confident with the review system before changing it. I would strongly advise against moving too quickly too fast. Having said that, the process needs to continually change to avoid becoming stale. It must evolve to meet changing needs and itself must be subject to review. I think we should gear the review process more towards customer feedback.

**EPSOM AND EWELL BOROUGH COUNCIL**

**QUESTIONNAIRE FOR SERVICE DEPARTMENT DIRECTOR  
RICHARD HARRIS - BOROUGH COMMUNITY SERVICES OFFICER**

1. **Which department are you the director of?**  
I'm director of Community Services which consists of housing, environmental health, recreation and personal services (i.e. meals-on-wheels, day centres, transport for the elderly and handicapped, community alarms etc.)
  
2. **Were you the director at the time the PR system was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
I was director at the time the reorganisation took place and the review system emerged. It seems axiomatic that you have to review and evaluate what you are doing and review is part of a comprehensive management process. I was supportive of it being introduced and I continue to see it as an essential tool of effective management and I think that most of our senior managers are supportive of this development. I think what we are not doing particularly well is having a systematic process of review whereby we are actually measuring the impact of some of our policies. We tend to focus on operational matters in our review process. Part of this is the difficulties of quantification in a lot of what we do but I'm not sure that this is being addressed by the authority and part of the problem is that you don't have a strategy driven by political ideology.
  
3. **How were the policy targets set for your department and who set them?**  
I draft a report for each of the cost centres in my department outlining the objectives of that centre, relevant performance indicators and identify targets. The Committee then has a chance to consider these before they are finalised. In my department we have gone further and have held a series of seminars where we have taken a set of policy issues and considered them in a more open-ended way than is possible in Committee. On recreation for example, we are putting together a Recreation Strategy which has arisen from a member seminar. Having got Committee approval, this will now go out for public consultation and we are asking the community for their response. Whilst an officer-led initiative, it is also a collaborative effort combining ultimately officer, member and public input. In the absence of an overall strategy across the authority, I am trying to develop overall policies for the areas I have responsibility for and these often look three years ahead and have budgets relating to these three year projections.
  
4. **How were performance measures set for your department and who set them?**  
Like policy targets, there has been an element of collaboration but the officer input has dominated in setting performance measures - it has been progress enough to get members to think about objectives and targets. I don't see officer dominance in this domain a problem since it is management's job to monitor and demonstrate progress towards goals.

5. **To what extent were you included/consulted in designing and developing the system for your department?**  
Chief officers and key members formed a joint working group which collaborated with the consultants reviewing the authority, in devising an appropriate performance review system. The same PR system is in place in departments throughout the council although some have chosen to further refine activities in their areas. I am satisfied that I was adequately consulted.
6. **Do you feel that the PR process has contributed to the achievement of departmental goals?**  
It has undoubtedly helped us to focus much more on goals and in certain departments has forced senior managers to identify goals. I think it has provided a structure to most people's jobs and made them understand their role within the organisation. For most staff it has sharpened their perception and clarified what it is they should be doing and how they fit into the jigsaw. Cumulatively, this will help us achieve goals but it is a slow process. We are not there yet.
7. **Has the system identified any specific training needs for your department and have these been addressed?**  
The performance review system has not identified training needs - these are highlighted by the performance appraisal system. On the back of each appraisal form, staff have to identify their individual objectives and targets and the mechanisms for monitoring progress towards these plus any training which is necessary to achieve them.
8. **Is there any mechanism for communicating knowledge of process and performance targets to junior management and operative grade staff and obtaining feedback from these groups?**  
Our performance appraisal and performance-related pay schemes are the main systematic mechanism for informing junior management. Additionally, I hold briefing sessions about performance progress with my managers but this is at my discretion. I would like to see the appraisal and PRP systems extended to manual workers possibly rewarding teams rather than individuals. I don't understand why the culture of rewarding good performance cannot be applied at a manual level as well and more significantly why they are excluded from the existing systems.
9. **How has the review system affected your department?**  
It is difficult to isolate the impact of the review system, when the whole authority and indeed my department has undergone such radical change and an entire new management system and ethos emerged. I suppose the review mechanism has given my senior managers a framework within which to operate - it may not have drastically altered what is done but it has legitimised it.
10. **Has the review system contributed to the achievement of corporate goals?**  
When the review system first came into operation, I think that objectives and targets established at Committee level were not actually being followed through all that precisely into individual targets. Much greater attempt is being made to marry the two together now. The cascade down effect is now much greater and this should make considerable inroads into the achievement of corporate goals.



- 11. Do you have any views on the capability of the review team?**  
 We don't have a review team as such. The Management Support Unit co-ordinate the activities only and I would strongly resist any more active involvement from them. I manage this service and I am answerable to my Chairman and my Committee, therefore I must devise the measuring techniques appropriate for my department. In a small authority like ours we don't need a large central unit. Having said that MSU have kept the process moving along in departments where it might otherwise drift. Our MSU is adding value and is providing the glue which keeps the organisation together part of which is their involvement with performance review. I think that most senior managers feel the same way even though they resent being deflected from other work to meet the demands of the central unit. I think my own senior staff would be less understanding than me on this issue since they are not on Chief Officers Group and thus do not always understand what is behind the centre's work nor how it all fits into the bigger picture.
- 12. Do you believe that performance review as operated in this authority is a genuine attempt to improve performance? Do you see any other implication?**  
 In this authority I think it definitely is. I don't think we could have done the things we have done and made the progress we have made in the absence of a performance culture. People now contribute more than is required because they now know the purpose of their activity and they know that they will be well-rewarded for their efforts. I don't think there are any more subtle, underhand implications. The Chief Executive is happy with the team he has now got and trusts us to do our jobs effectively. There is no element of the review system acting as a watchdog for him.
- 13. Is your reaction typical of departmental directors?**  
 On the whole I think it is. I possibly have embraced the performance culture more enthusiastically than some of my fellow chief officers but in general, they are all supportive and are keen to see the current momentum continue. I think it is the tier below directors which is experiencing the most cynicism because it is these managers who have had to do most of the detailed work but in time, they will reap the benefits.
- 14. What do you regard as the main strengths of the system?**  
 I think it is the discipline of providing the structuring for ensuring that managers go back and evaluate what they have done and can justify their actions. It provides a mechanism for improving accountability - anybody can now check up to see if I am doing and have done, what I set out to do. It is fairly simple which means that its operation does not impinge on other activities but even if it did, it is an essential part of management and would be worth doing. It has helped all members of the organisation focus more.
- 15. What do you regard as its main weaknesses?**  
 The major problem in this authority is an inability to-date to form and activate strategies and this is hindering the impact of performance review which consequently concentrates on day-to-day matters. I think it is a weakness to perceive performance review as a separate entity from the rest of our performance management system as some of my fellow officers do - in my opinion, it is an integral part. It should permeate the whole organisation whilst being part of an overall process.

**16. What future developments would you like to see in relation to performance review?**

I would like to see member involvement greatly enhanced with in my own department but more particularly, in other departments where chief officers are quite happy to have members on the periphery. I would like members to be more visionary and to decide where the authority should be going - they are too placid. I would dearly like to see a political imperative emerge but it is unlikely if, as is probable, we continue to elect Residents Association councillors, and less of a problem here than elsewhere given that we do not confront the same political crises and issues as the inner London boroughs for example.

I would like to see performance review more closely linked to customers' reactions, consumers' needs. I think the future for local government will lie in enabling and I don't think our review system is highlighting this. I would like the quantification issue addressed - some things are fairly easy to measure and I think we have a tendency to concentrate on the quantifiable.

## QUESTIONNAIRE FOR OPPOSITION LEADERS

- 1 A. Was your political party in opposition at the time the PR process was introduced  
 B and were you or would you have been supportive of its introduction? Has this  
 C position changed following implementation?

A NO (we were not elected until May 1991)  
 B Yes.  
 C NO

- 2 Were opposition members involved in the development of the PR process?

Not us

- 3 What part do you personally play in the PR process?

Town Clerk's assessment  
 note indicators in committee reports

- 4 What part does the minority group play in the PR process?

very small - makes comments  
 at meetings etc.

- 5 Has performance review contributed to making your group a more effective  
 opposition?

not yet

- 6 How is your political agenda set?

from group discussion  
 using party guidelines as  
 appropriate

7 Does the minority group ~~and/or the majority~~ group use the PR process for party political purposes?

no

~~yes~~ ~~no~~ ~~not~~ ~~is~~

8 How does the PR system relate to the policy planning process?

helps to identify the need for clearer policies

9 How does the PR system relate to the budgetary process?

makes one look more carefully at one's value for money

10 How have directors of service departments, directors of technical departments and the chief executive, related to the PR process?

On the whole I think with enthusiasm.

11 What do you regard as the main strengths of the PR process?

encourages the individual to do their best. Rewards good performance makes planning - budgeting for the future easier to identify as clear objectives are set. Worked with individuals

12 What do you regard as its main weaknesses?

needs to be carefully explained  
or can be threatening to staff.  
Takes more time.

13 What are the most important future developments you would like to see in relation to performance review?

Tightening up corporate policy  
statements  
Making cost centres "fit" various  
services & business

14 If the opposition group came to power at the next election would you operate the PR process differently?

Not until we had studied  
it sufficiently to see if  
there would be any advantages  
in operating PR differently

**APPENDIX 8.22: THE LONDON BOROUGH OF LEWISHAM'S CORE VALUES**

*Putting services to the public first* means working hard to meet local people's needs by providing the services they want. It means finding out people's views, being responsive and flexible and making the best use of resources.

*Local government serving local communities* is about serving local people and giving them some influence over what happens in the borough. We should treat local people with respect, provide them with information and offer the best service we can.

*Equal opportunities for the people of Lewisham* is an essential value of this Council. This means recognising the inequalities that people suffer and taking action to reduce them. Everyone has a role to play in ensuring fairness towards colleagues and the community we serve.

*Taking action to be more efficient and effective* is the only way to make sure we serve our local communities better. This means getting things done efficiently and well.

*Valuing employees* means recognising that good services will only be provided by a caring, well-motivated workforce. The Council values the whole of its workforce and expects managers to give the support and directions needed for employees to play their part in improving public services.

*Aiming for quality* means aiming for excellence in the services we provide to the public (and our colleagues) and settling for nothing less than doing our best.

*Caring for the environment* means taking action ourselves and influencing and regulating others to make the borough a cleaner and greener place now and for the future. Services should make the best use of limited resources and protect and enhance the natural and built environment.

# Putting people first

## APPENDIX 9.23: LEWISHAM'S SERVICE PROGRAMME INFORMATION PACK

### THE LEWISHAM SERVICE PROGRAMME

#### *What is the Lewisham service programme?*

Local authorities exist to provide services for people who live in, work in, or visit the area that the authority administers. Stating the obvious perhaps, but in the early 1980s many people saw their local council as an unapproachable bureaucracy providing badly run and expensive services.

In Lewisham, members and officers were becoming frustrated by a system which often seemed to work against people and not for them. They felt the need to reassert the idea that a local authority should serve the public properly and so looked for ways to change the Council.

#### *A means for change*

Getting close to your customer is an increasingly important idea in management. This approach was applied to local government by Professor John Stewart of the Institute of Local Government Studies who called it 'public service orientation'. Attention has been paid as well to how easily a large public or private sector organisation can lose sight of its purpose. So starting with the notion that the unifying principle behind local authorities is service to the public, public service orientation helps councils look again at how they work.

#### *Putting people first*

People concerned with public service orientation find that many local authorities are too inward-looking. This means that users of the services often find:

- offices which are off-putting, unfriendly and difficult to get into
- professional jargon which is hard to understand
- long delays getting through to the right person on the telephone
- an attitude that implies that the public is either a nuisance or a disruption.

Public service orientation wants to put people before administration. The essence of this approach is to listen in order to change. So a local authority must be:

- responsive
- flexible
- outward-looking.

A local authority must be open to change and ready to learn from experience, just as successful companies and other large organisations have to continually review their services in the light of customer needs.

The Lewisham Service Programme was developed to do this for the Council.

### *Putting service to the public first*

means working hard to meet local people's needs by providing the services they want. It means finding out people's views, being responsive and flexible and making the best use of resources.

### *Local government serving local communities*

is about serving local people and giving them some influence over what happens in the borough. We should treat local people with respect, provide them with information and offer the best service we can.

### *Equal opportunities for the people of Lewisham*

is an essential value of this Council. This means recognising the inequalities that people suffer and taking action to reduce them. Everyone has a role to play in ensuring fairness towards colleagues and the community we serve.

### *Taking action to be more efficient and effective*

is the only way to make sure we serve our local communities better. This means getting things done efficiently and well.

### *Valuing employees*

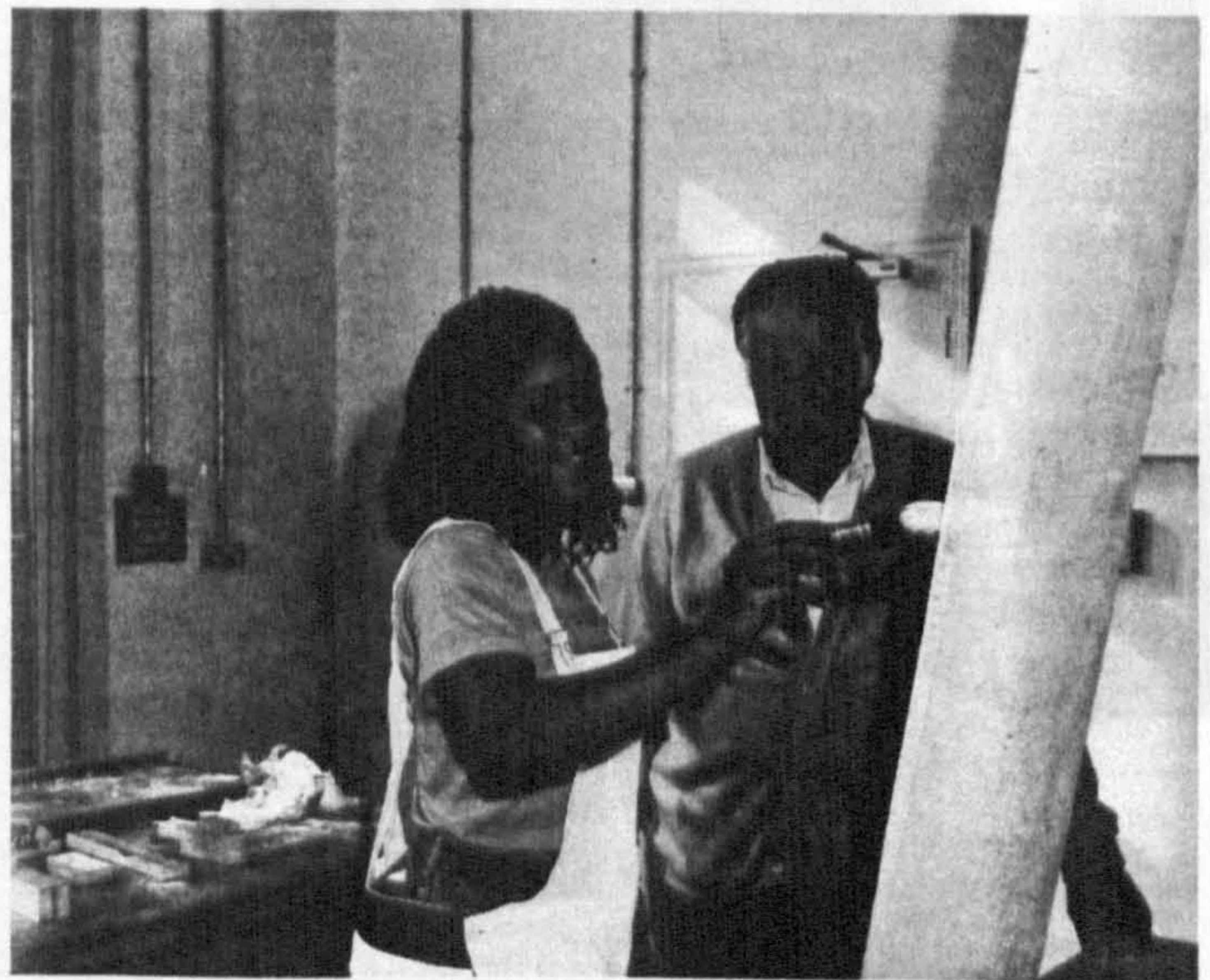
means recognising that good services will only be provided by a caring, well-motivated workforce. The Council values the whole of its workforce and expects managers to give the support and direction needed for employees to play their part in improving public services.

### *Aiming for quality*

means aiming for excellence in the services we provide to the public (and our colleagues) and settling for nothing less than doing our best.

### *Caring for the environment*

means taking action ourselves and influencing and regulating others to make the borough a cleaner and greener place now and for the future. Services should make the best use of limited resources and protect and enhance the natural and built environment.





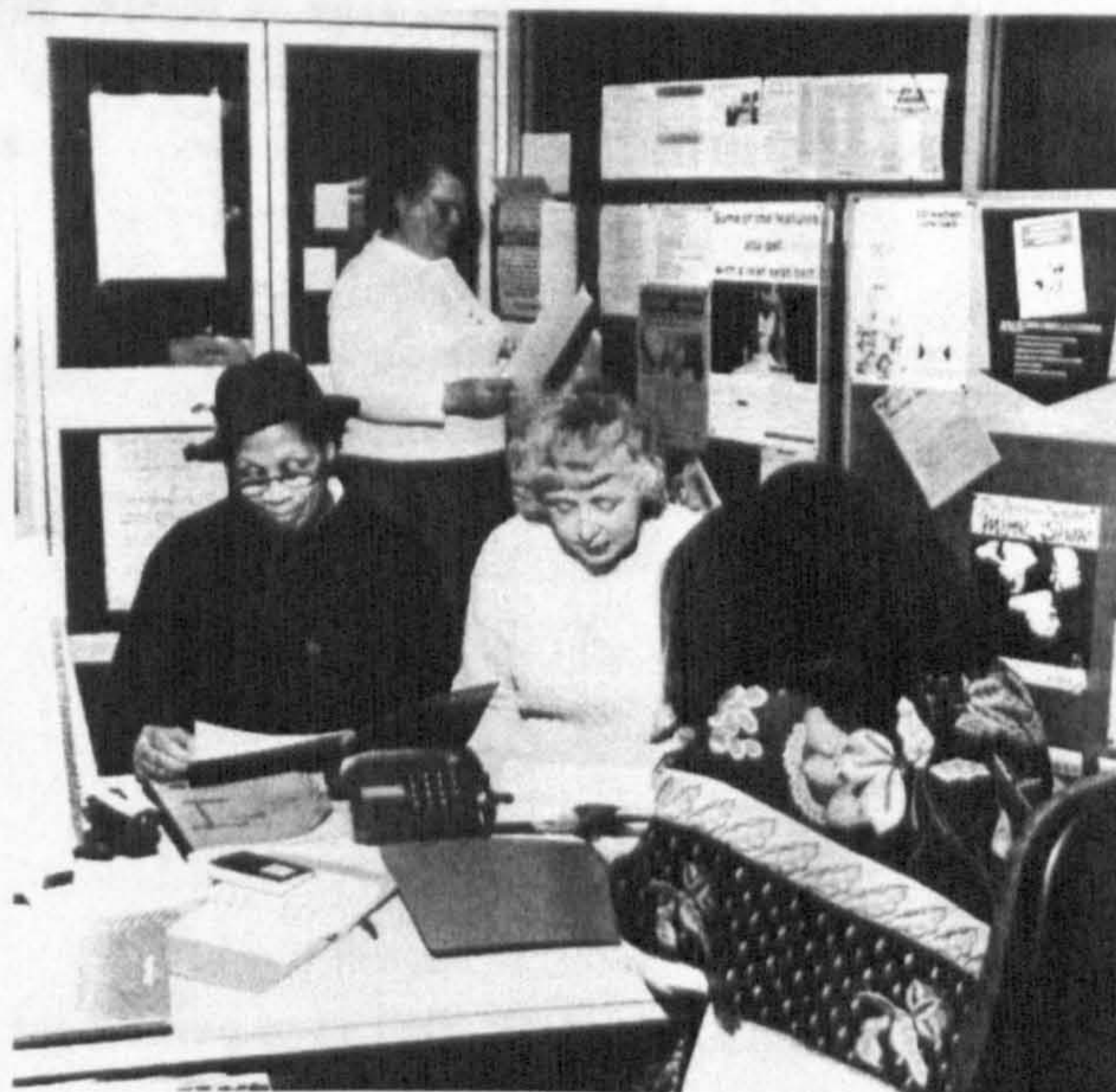
# *At the heart of the matter*

Changing a large organisation such as Lewisham Council cannot be done overnight. It is only likely to succeed if there is a clear sense of direction, a clear idea of what we want to achieve and the type of organisation we want to become.

To succeed, an authority must be sure about its goals and its values. Based upon the ideas of public service orientation, Lewisham developed its own set of 'core' values as the foundation for future action.

The six core values that were adopted by the Council in 1988 were:

- putting service to the public first  
public service is our top priority
- local government serving local communities  
increasing community participation in the work of the Council
- equal opportunities  
in both service delivery and employment
- taking action to be more efficient and effective  
achieving results which are value for money and of value to customers
- valuing employees  
respecting their views - good employment practice
- aiming for quality  
the best services possible with the resources available.



Each department began work on its own programme for services using these six core values as a starting point.

In 1990, in response to the growing local and national concern about the environment, the Council adopted a seventh core value:

- caring for the environment  
protecting and improving the environment



# Ideas into action

The first two years of the programme saw considerable success. This includes:

- improved reception areas
- reducing telephone waiting times, down from an average of 100 seconds or more to an average of 30 seconds or less per call
- Lewisham Lines - a handy, easy- to- use list of phone numbers
- name badges for all staff
- setting up complaints procedures for when things go wrong
- introducing paper banks and increasing the number of bottle banks
- providing many more litter bins
- reopening the Information Centre in the Lewisham Centre
- mass mailings to encourage people to claim welfare benefits
- being more prompt and punctual when delivering services
- giving better training to frontline staff and middle managers
- establishing 'user panels' for specific services
- increased use of customer surveys.

The list could go on, and in addition our openness and innovation are starting to be both established practice with employees and recognised by the public we serve.

*And then.....*

Real progress has been made in changing the Council's character. To up the pace of change the Lewisham Service Programme changed gear and focus in 1990; the motto, "getting back to basics", was adopted. This in part included an amalgamation of the range of review and monitoring programmes that the Council had developed over the years. The new approach aimed to:

- monitor and account for service change
- improve the management of services within financial, legal and resource limitations
- be more accountable to elected members, customers, poll tax payers and the public
- distinguish a good service from a bad one
- provide ways of finding out what people need
- set targets
- offer clear and concise reports that give the right information at the right time to committees, staff and the public.

# Making contact

The Lewisham Service Programme started with a series of studies of those services where the Council comes into close contact with the public.

Each study took the point of view of someone receiving the service and included some degree of direct public involvement. They all generated recommendations about the service, relevant to the circumstances at that point in time, and action based on these has followed.

<b>Survey 1</b>	entrances and reception areas
<b>Survey 2</b>	telephone service
<b>Survey 3</b>	playgrounds
<b>Survey 4</b>	public complaints procedure
<b>Survey 5</b>	writing for the public
<b>Survey 6</b>	street lighting



## *First impressions - a survey of entrances and reception areas*

### *Why entrances and reception areas?*

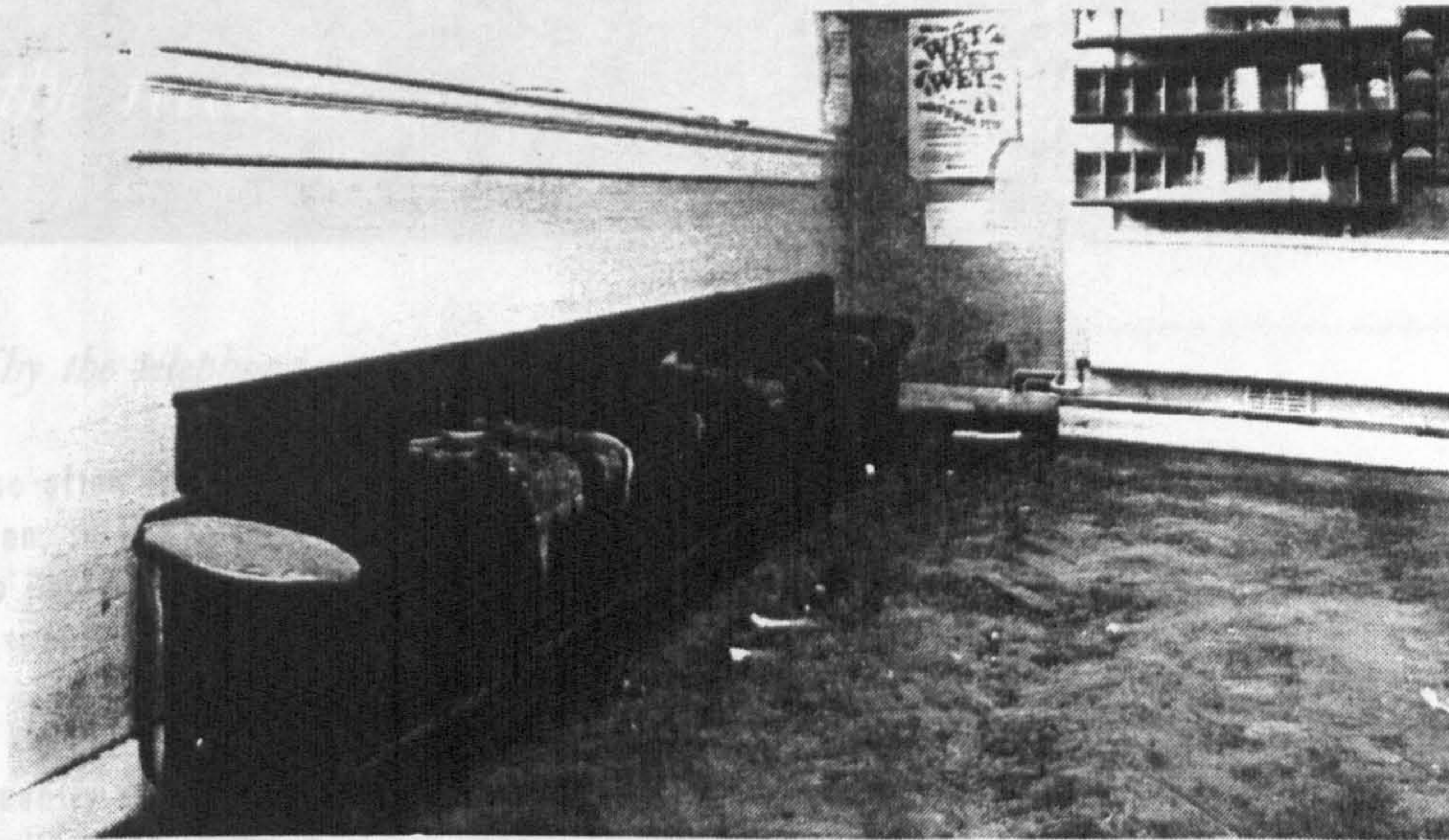
The first point of contact between the public and the Council creates a lasting impression of the quality of service and its value. Well designed entrances and reception areas reinforce the impression that a council is serious about quality right from the start.

### *What was looked at?*

The town hall, a library, a swimming pool, a leisure centre, a social services district office, a joint housing and social services neighbourhood office, and an information point were amongst a range of council offices that were looked at. The internal and external environment, and the ease of physical access were observed. Staff and public in the area were asked for their views and experiences. The approach adopted was qualitative rather than quantitative.

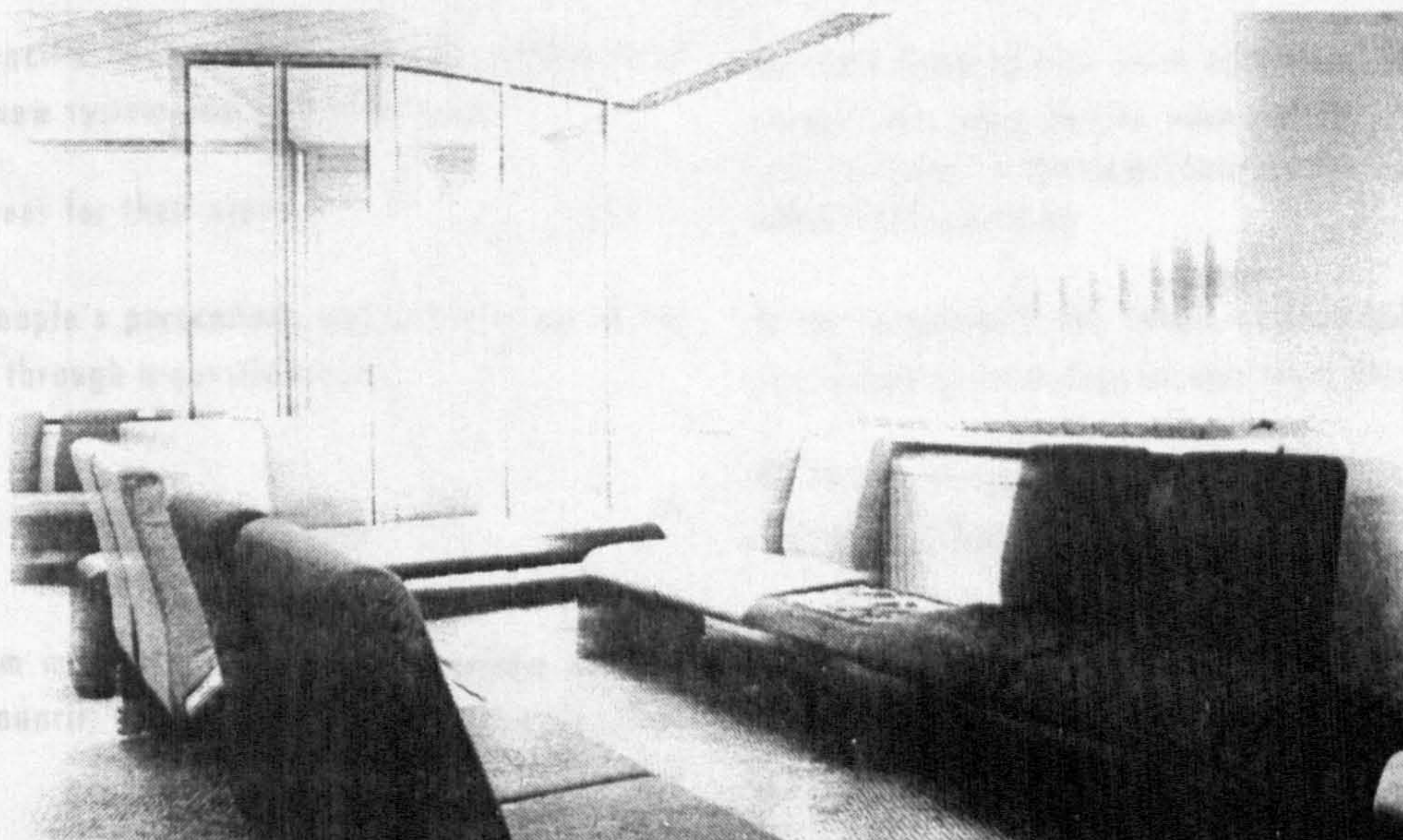
### *We found that:*

- external signs either did not exist, were poorly sited, or were badly maintained (often with out-of-date information)
- access to buildings was generally bad and in some cases impossible for people in wheelchairs or with pushchairs
- the general impression inside was poor, with shabby furniture, old posters, and inadequate signs which were often tatty and hand-written
- low priority was given to reception duties - for example, reception staff often had additional other duties and poor conditions of service and pay
- few staff received any formal training in customer care
- few staff were aware of public service orientation though most genuinely wanted to provide good public service.



*What action was recommended?*

- all managers to ensure that their buildings are adequately signposted inside and out, with clear information about the building itself and the services provided there
- responsibility for improving entrances and reception areas to be clearly assigned
- senior officers and chief officers to regularly undertake reception duties
- ways of supporting reception staff and improving their status to be identified and implemented
- information on the full range of services and their locations to be available at all council buildings
- internal telephones for public use to be provided in reception areas
- training for reception staff to be improved.



## On the receiving end - a survey of the telephone service

### *Why the telephone service?*

The telephone is so often the public's first point of contact with an organisation, so it's vital that a caller gets a good, quick response. To improve efficiency and effectiveness the Council recently spent more than £800,000 updating its telephone system.

Councils are frequently criticised for the length of time a telephone caller waits to be answered or for taking too long to connect a caller to the right person. Lewisham wanted to reduce this waiting time to improve service both for the public and for Council employees.

The study was not a detailed examination of the way the system operates, but set out instead to get an impression of how good the service was, to identify its strengths and weaknesses, and to see what speedy action could be taken to make improvements.

*Information was collected from a number of sources including:*

- data collected by the new system itself
- setting up calls to check response times from the switchboard and departments
- setting up enquiry calls for information on services to see how efficiently the correct section or person was found
- using the Council's newspaper Outlook to inform local people about the new system and seek their views
- asking employees for their views
- discovering people's perceptions and experiences of the telephone service through a questionnaire.

### *What was found?*

- the new system made it much easier for people phoning from within the Council; everyone was very positive about it



**TELEPHONES**

**YOU'RE THE VITAL LINK**

Unanswered phones are as useful as phoneless cords. You're the vital link with the public

Your prompt response  
Good telephone technique  
and courteous and helpful manner  
=  
a quality service to the public

**ANSWER IT WELL FOR LBL**

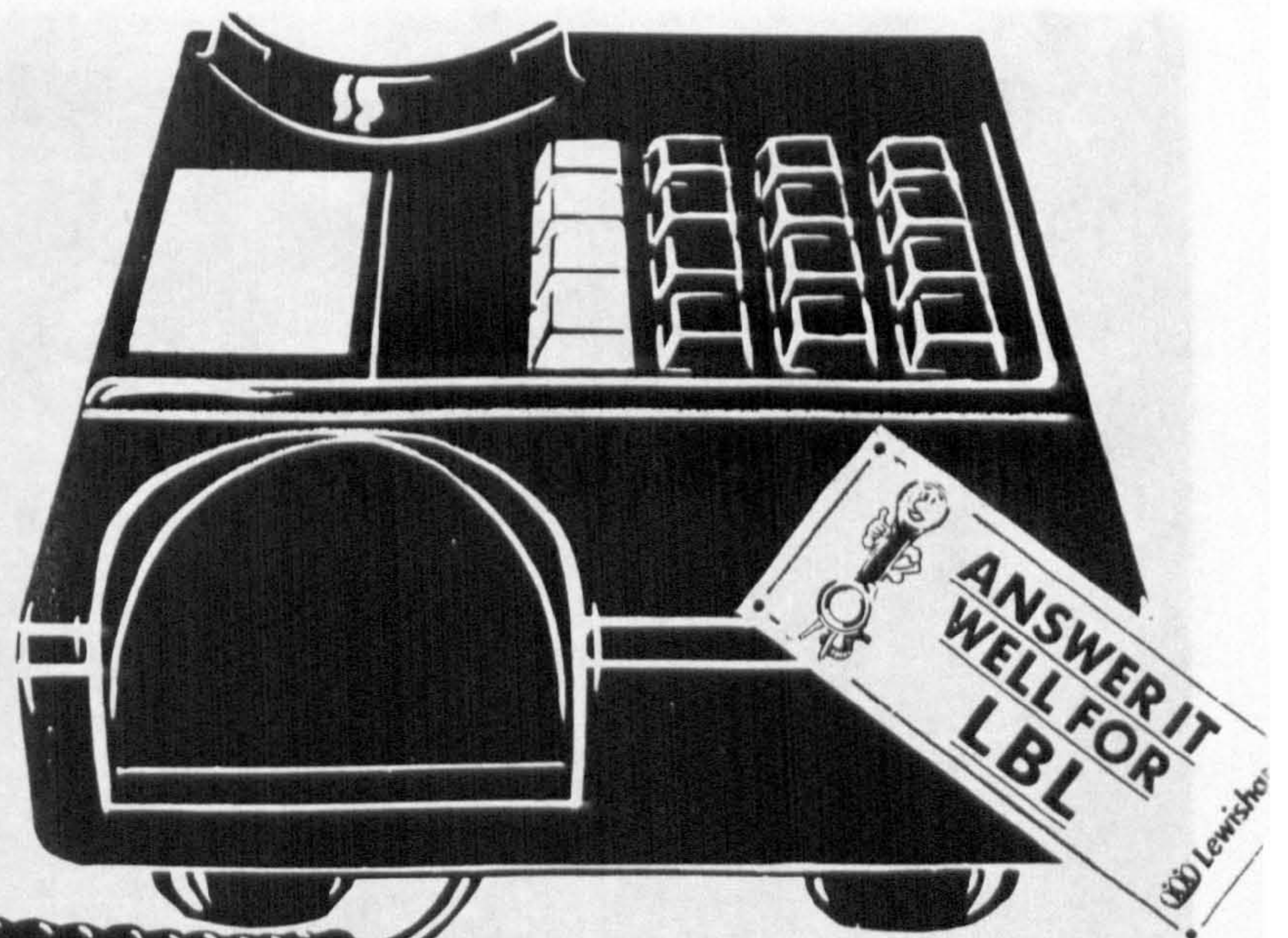
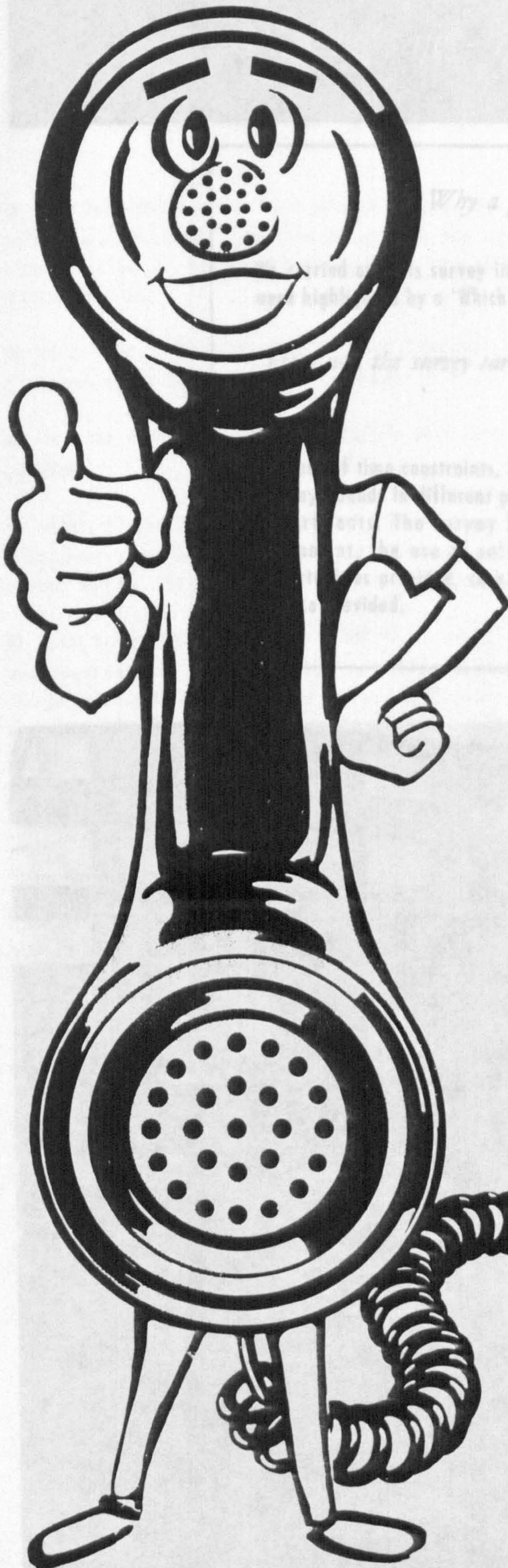
**Lewisham**

*From the public point of view the findings were that:*

- response times did not meet the Council's target of 30 seconds average; during the busiest times they were more than four times the target
- some departments were very poor at providing cover to answer calls when people were out of the office; unanswered calls returned to the switchboard were found to cause further delay and frustration
- the telephonists did handle queries speedily and effectively and responses from departments were also good
- despite the publicity, many people were not aware of the changes and had not noticed any improvements
- lines for some key services were often permanently engaged
- too many staff did not give names or extension numbers.

*What actions were recommended?*

- continued monitoring of switchboard response times
- more detailed monitoring at peak times
- monitoring of response times of departments
- managers to ensure that telephones are covered
- a keyword directory to be compiled and distributed throughout the Council and to voluntary organisations in the borough
- articles about the new service in the internal staff newsheet Briefing and in Outlook
- guidelines for the service to be given to all staff
- simple, clear information on key services for the public to be part of departmental service programmes.



## *Playing safe - a survey of playgrounds*

### *Why a playground survey?*

We carried out this survey in July 1988 when playground safety risks were highlighted by a 'Which' magazine report.

### *How was the survey carried out and what were we looking for?*

Because of time constraints, the survey consisted of visits to a sample of playgrounds in different parts of the borough managed by different departments. The survey looked at design and maintenance of equipment, the use of safety surfaces, public information, play opportunities provided, care of sites, and the quality and quantity of service provided.





*What did we find?*

**Playgrounds in parks:**

- most parks had at least one entrance with good access, though some entrances were inaccessible to people with disabilities
- most information notices were difficult to read, and even harder to understand. Signs showing opening and closing times were better, but overall there was a lack of good informative signs
- in general playgrounds in parks were attractive, well sited, and looked like they were well cared for
- in some areas vandalism and graffiti were clearly a problem
- most playgrounds were largely unsupervised and information on when and where a member of staff would be on duty was not clearly available
- most playgrounds had a good range of traditional play equipment reflecting the age of the playground. There is a recognised standard for playground equipment (BS 5696) though standards are not formally monitored or enforced. Most equipment had the relevant safety features such as rails on slides, and was well maintained. But only 43% of fixed play equipment and 20% of moving equipment was on recognised safety surfaces
- many playgrounds had basic facilities such as seating and litter bins, but drinking fountains and toilet facilities were often in other parts of the park.

**Playgrounds on housing estates:**

Overall, the standard of playgrounds on housing estates was lower than in parks in all respects. They appear uncared for, are less attractive, have fewer safety features, and are less well maintained.

*What action was recommended?*

**For parks:**

- priority be given to installing safety surfaces
- to develop written specifications for maintenance of equipment
- to develop a monitoring system for maintenance and repairs
- immediate action on unsafe equipment and removal of equipment of unsafe design
- to improve signs in parks
- to give clear information for the public of the location and availability of staff and what to do if there is an accident or emergency
- arrange patrols so that more people see them more regularly
- to involve staff and local people in developing better services.

**For housing playgrounds:**

- a programme to instal safety surfaces
- immediate action on unsafe equipment
- to produce a clear specification for equipment maintenance
- to establish clear management responsibilities for notifying and monitoring repairs
- to ensure daily checking of playgrounds
- to review the future of playgrounds on housing estates
- to look into alternative playground provision with Leisure Services.

# Cause for complaint - a survey of public complaints procedures

## Why are complaints important?

Complaints can act as indicators of the quality of a service and give us consumer feedback. The way we handle complaints shows whether we are prepared to listen to people, take their views seriously and respond properly. The procedures for dealing with complaints and monitoring responses also provide an element of accountability, so crucial to open local government.

## What were we looking for?

The study aimed at discovering departmental practices for dealing with complaints, to see whether there was a consistent approach, and to identify good practice.

## What did we find?

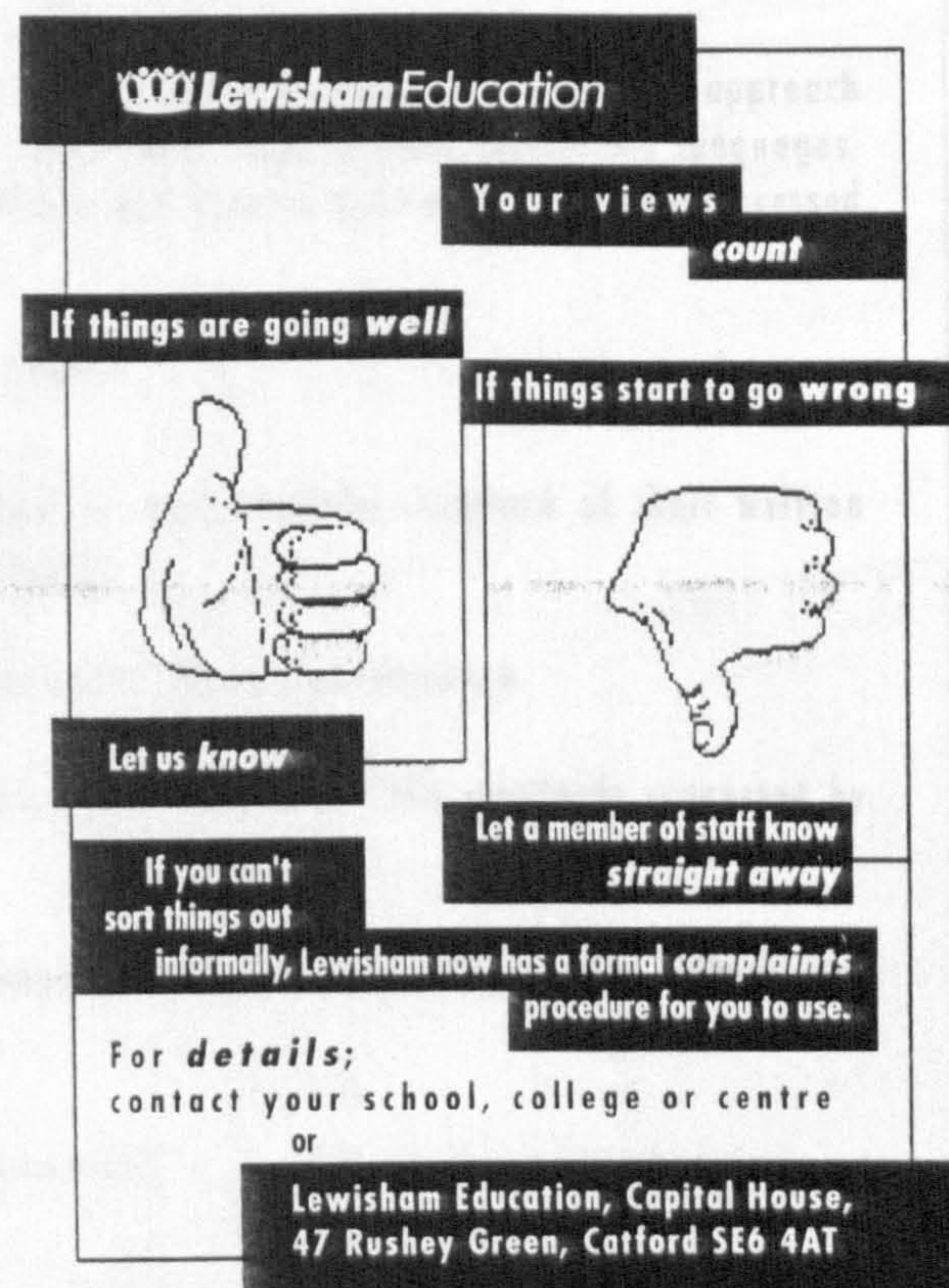
- only Leisure Services had a procedure for the whole department. Other directorates had a variety of processes dependent upon the services involved
- generally there was a lack of written procedures and information to the public was poor. This contrasted sharply with the highly developed, documented, and monitored systems for dealing with complaints from councillors and MPs
- complaints of unequal treatment, particularly of discrimination or harassment on the grounds of race or sex were not handled consistently
- there was very little in the way of training for staff. Advice and support was dependent on the skills and sensitivity of individual employees.

## What did we recommend?

The following guidelines were issued to all departments:

- every department should have a written complaints procedure to cover: recording a complaint; processes to monitor the response; timescales for each stage of the process; keeping complainants informed; checking complainant satisfaction; and an appeals mechanism - to senior officers and ultimately to members
- complaints should be collated and analysed to provide information for management, and reported to members annually as part of departmental service programmes

- information and training should be provided for employees
- simple information should be produced for the public and widely publicised
- standard complaints forms should be produced
- formal procedures for dealing with complaints of sex or race discrimination or harassment should be established, to include guidance on seeking advice from equality advisers.



- information and training should be provided for employees
- simple information should be produced for the public and widely publicised
- standard complaints forms should be produced
- formal procedures for dealing with complaints of sex or race discrimination or harassment should be established, to include guidance on seeking advice from equality advisers.

## *Plain and simple - a survey of how well we write for the public*

### *Why look at written communication?*

The written word is an important link between the Council and the public. The quality of this link says a lot about the organisation. Is it impersonal, pompous, long winded, bureaucratic? Is it caring, accountable, informative, and open? If the Council is really to change, it is essential that communication with the public is plain and simple.

No matter how good an organisation is, it is all too easy to get into the habit of using professional jargon or legalistic language, and taking for granted that a reader knows something already about what they are reading.

### *How was this survey undertaken?*

Samples of standard letters, application forms, and leaflets were collected and assessed using the approach developed by the Plain English Campaign. We also looked at what was written in other community languages. Around 500 items, more than 2,000 pages in total, were looked at and about a quarter of these were assessed in detail.

### *What did we find?*

- several areas of the Council were making real progress in improving the standard of their written communications. Others had not recognised that a problem existed
- standard letters were generally poor, too often using legalistic or specialised language
- forms were generally better than standard letters, but were still far short of the standards suggested by the Plain English Campaign
- information handouts and leaflets varied in quality although generally the standard was high. Almost half of the leaflets were produced in other community languages.

### *What was recommended?*

- all Council departments to use the Plain English Campaign's guidelines on written materials for the public
- important written information already produced to be redrafted over the following year
- key departmental information to be translated into community languages and a translation programme to be agreed
- incorporate 'plain and simple communication' into departmental training programmes.

### WHAT IS POLL TAX?

Poll Tax will replace domestic rates on 1 April, 1990. There will be three types:  
Personal Poll Tax  
Standard Poll Tax  
Collective Poll Tax

### WHAT ABOUT MY PARTNER'S POLL TAX?

Married couples and people living together as husband and wife are responsible for each other's Poll Tax. Your incomes are added together and any Poll Tax rebate you get is divided evenly between you.

### IF I HAVE A LOW INCOME WILL I BE ABLE TO GET HELP?

Yes. People on low incomes will be able to claim. This will be worked out like rate rebates are now. If you get a rate rebate you are likely to get a Poll Tax rebate.

### WHO WILL NOT HAVE TO PAY POLL TAX?

There are a small number of people who do not have to pay Poll Tax. A separate leaflet carries all the details.

### WHAT ABOUT OTHER ADULTS LIVING IN MY HOME?

Almost everyone aged 18 or over will have to pay Poll Tax. This means that if you have grown up sons and daughters, relatives or lodgers living with you, they will have to pay Poll Tax and claim their own Poll Tax rebate.

### HOW DO I CLAIM A POLL TAX REBATE?

You will have to fill in a form about yourself, your income and your property. Offices for claiming rebates are open if you are interested.

### WHAT HAPPENS IF I AM ON A LOW INCOME SUPPORT?

You will get a maximum rebate but you will still have to pay 20 per cent of the Poll Tax.

### WHAT HAPPENS IF I AM A STUDENT?

Full time students will pay 20 per cent of the Poll Tax at your term time address, even if you are away during the holidays. 'Full time' means someone who attends college for at least 21 hours a week for at least 10 weeks a year.

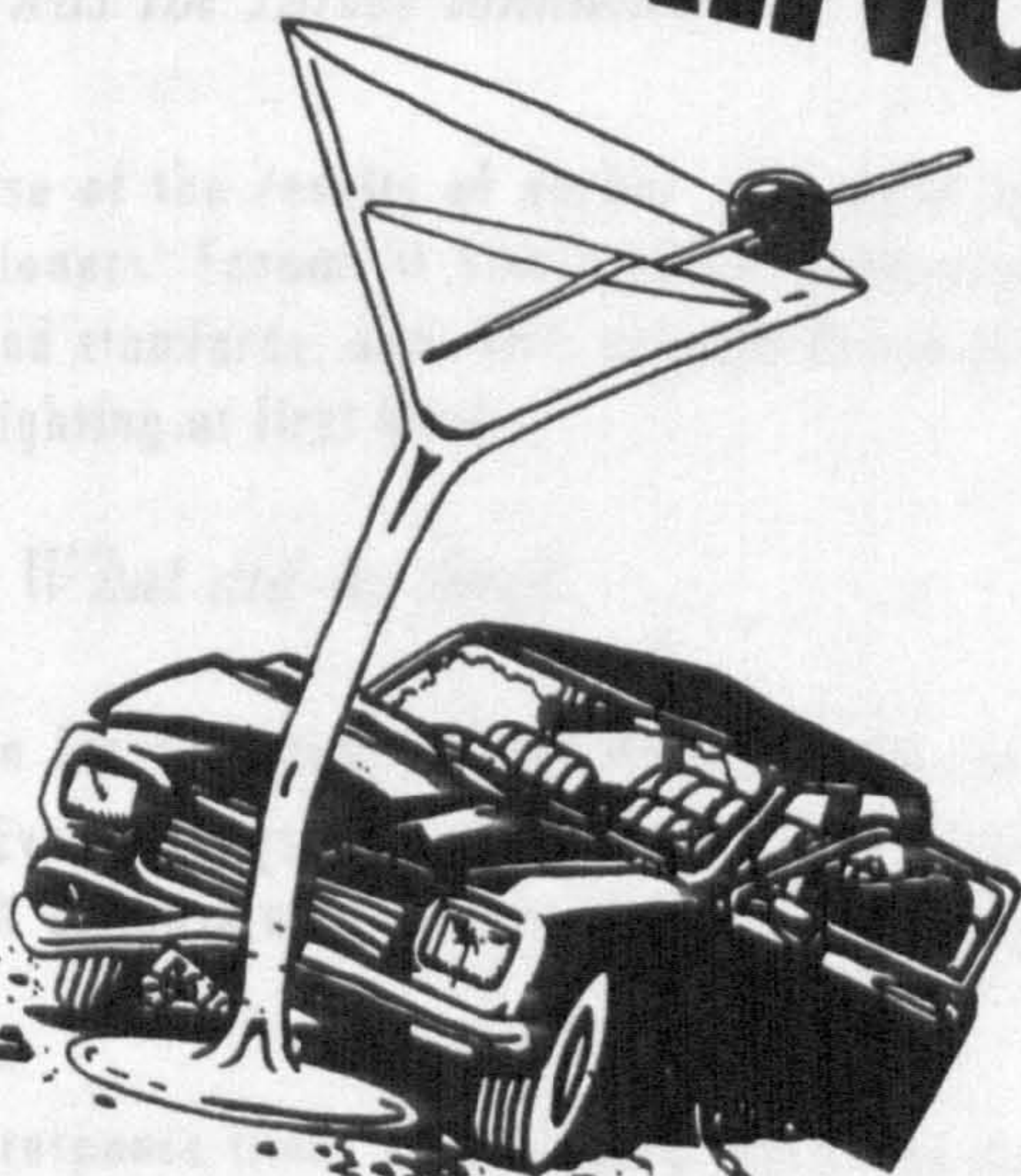
### WHAT IF I HAVE SAVINGS?

You will not get a Poll Tax rebate if you have savings over £3,000. Savings over £3,000 will make a difference to the amount of rebate you get.



LEWISHAM DRINK DRIVE FORUM

# DRINKING?



# DON'T DRIVE

Local Action For Local People

# RECYCLING



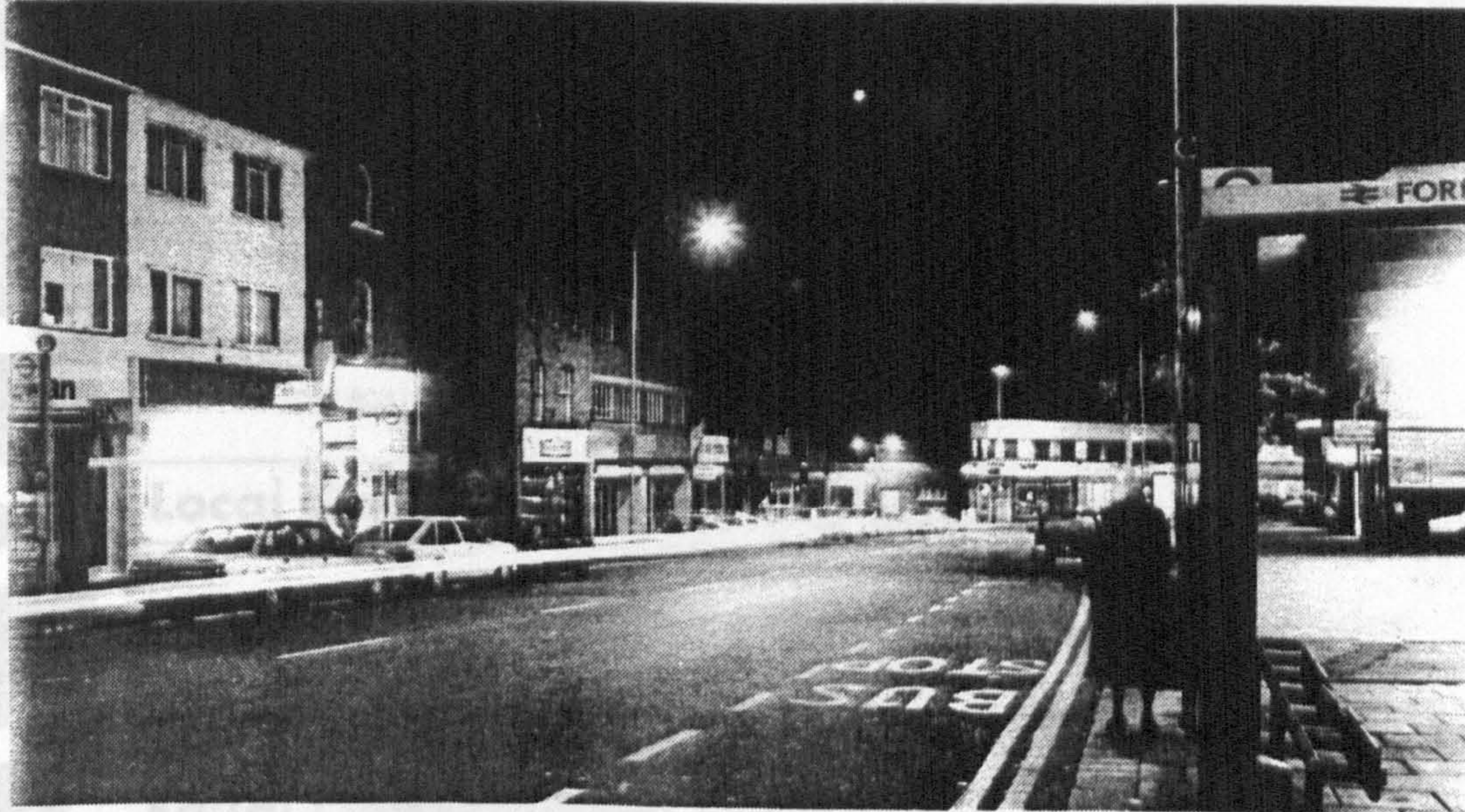
- Glass
- Cans
- Paper
- Oil
- Rags

Recycling begins at home - don't waste your waste!

Bring it round to us

**CREEKSIDE WASTE RECYCLING CENTRE**  
 Creekside, Deptford  
 Mon - Sat  
 8am - 7pm  
 Sundays & holidays  
 10am - 2.30pm  
 for FREE collection  
 ring 692 0316  
 Working for a clean borough  
 Lewisham

## *Seeing the light for the trees - a survey of street lighting*



### *Why look at street lighting?*

Well lit streets are important to all people who live in or visit Lewisham. Levels of crime and the fear of crime, and accidents on the roads are affected by the quality of street lighting. It's an issue of particular importance to women, older people and groups of vulnerable people.

### *How was the survey conducted?*

The survey made use of the results of earlier work done by the Lewisham Pensioners' Forum. It also involved reviewing existing practices and standards, and visits at night to see the standard of street lighting at first hand.

### *What did we find?*

- the card system for reporting street lighting faults was not widely known. Even amongst the people most active in the community only 30% of those over retirement age knew of the system
- information on response times for repairing faults was not available to the public
- there was widespread fear of crime and accidents as a result of both poor paving and lighting
- poor street lighting was often caused by trees being too close or overgrown
- around 60% of the borough's street lights did not conform

to the high standard specified in BS 5489 (1987). It would cost £4million to reach this standard against an annual budget of £130,000

- there were already existing set priorities for the street lighting programme
- the maintenance standards set by the Audit Commission were already being met or exceeded.

### *What was recommended?*

- the card system for reporting faults should be more widely publicised
- cards should be available at all Council offices and information points
- people reporting faults should be given an indication of the likely response time
- the priority scheme for repairing faults to be reviewed to make sure that multiple lamp failures are dealt with before single lamp failures, and that priority is given to repairing faults where the footpath also needs repair before repairs when the footpath is in good order
- there should be a review of tree maintenance programmes to get the best from street lights
- there should be adequate lighting on access to all British Rail stations in the borough.

**APPENDIX 9.24: APPLYING LEWISHAM'S CORE VALUES TO LEISURE SERVICES**

**C  
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**APPLYING THE CORE VALUES TO LEISURE**

Abbreviation

**Putting Services to the Public First**

We exist to provide services for the public. We aim to improve our knowledge of public need and demand through both research and development; through increasing sensitivity to the needs of both the users and non-users of our services, and by increasing support to staff on the front line.

**P.S.**

**Local Government Serving Local People**

We must increase local people's awareness of the services available, develop better systems to consult with both users and non-users, welcome any views and comments we might receive, and ensure that we respond in a positive way.

**L.G.**

**Equal Opportunities**

We aim to identify and reduce the barriers to using our services, to target our efforts more specifically towards disadvantaged people, and to combat inequalities within the Community and the Council.

**E.O.**

**Aiming for quality**

We will endeavour to improve the quality of our services through sensitive service development, and a wider adoption of the customer-orientated approach.

**A.Q.**

**Valuing Employees**

We must keep our staff informed, value their views and contributions, provide them with the appropriate training and rewards for their development, and encourage them to achieve their full career potential.

**V.E.**

**Efficient and Effective**

We aim to improve efficiency, improve the quality of our services today, rather than tomorrow, and ensure that changes take place continuously to reflect changing need and demand.

**E.E.**

**Caring for the Environment**

Taking action ourselves and influencing and regulating others to make the Borough a cleaner and greener place now and for the future. It means making sure that our services make the best use of limited resources, and serve to protect and enhance the natural and built environment.

**C.E.**

Officer Responsible

Cyril Langley  
Lewisham Theatre

Key Result Area

Lewisham Theatre

Overall Service Aim

to provide an efficient and effective service to all audiences.

Background to Service

Lewisham Theatre attracts almost 135,000 customers annually for a diverse range of events and performances. Its customers are drawn from a wide cross section of the community, which also reflects the Council's target groups. Service standards have recently been published and the aim is to constantly improve on those standards.

<u>Targets to Achieve</u>	<u>Core Values to Achieve</u>	<u>Measures of Success</u>
) Increase attendances from 135,000 to 138,000 as per Business Plan target in 1992/93.	LG, PS	(a) Increase attendances to 138,000 by December 1992.
) Increase the attendance by black people to 23,500 (from 21,400) representing as a minimum 17% of total as per Business Plan target in 1992/93.	EO, PS, LG	(b) Increase attendances by black people to 23,500 minimum.
) Double the number to ten and extend the range of signed performances for customers with hearing difficulties by December 1992.	PS, AQ	(c) Double the number and extend the range of signed performances for customers with hearing difficulties.
) Introduce facility/performance customer assessment feed back forms, and to monitor customer satisfaction by August 1992.	PS, LG, EE	(d) Introduction of feed-back forms.
) Refurbish mens toilet in stalls foyer to provide a more pleasing and healthier environment by July 1992.	CE, PS, AQ	(e) Total refurbishment of mens toilets in stalls foyer.

**Text cut off in original**



<u>Targets to Achieve</u>	<u>Core Values to Achieve</u>	<u>Measures of Success</u>
<p>) Identify funding and to provide a chair lift to the Studio Theatre, thus enabling this disabled people to use this valuable asset. By January 1993.</p>	<p>EO, LG, PS, AQ</p>	<p>(f) Provide chair lift to Studio Theatre.</p>
<p>) Introduce a refund voucher scheme for customers who are unable to attend a previously pre-booked performance, thus maintaining the goodwill of the customer. September 1992.</p>	<p>PS, EE</p>	<p>(g) Introduce refund voucher scheme.</p>
<p>) Identify additional areas where wheelchair users may be accommodated at specified performances. By October 1992.</p>	<p>EO, PS, LG</p>	<p>(h) Identify additional areas for wheelchair users and negotiate changes to existing licence.</p>

re Values

= Putting Services to the public first; LG = Local Government serving local people; EO = Equal Opportunities; AQ = Aiming for quality; VE = Valuing Employees; EE = Efficient and Effective; CE = Caring for the Environment.

**APPENDIX 9.26: LEWISHAM THEATRE'S RESULTS 1991/92**

1.	<u>Key Result Area</u>	Lewisham Theatre
2.	<u>Overall Service Aim</u>	To provide an effective and efficient service to hirers of the Lewisham Theatre and Studio.
3.	<u>Targets</u>	<u>Results</u>
	(a) Published and distributed hirers information pack.	Pack published in April 1991.
	(b) Increase the number of target group hirers from 12 to 16.	15 target groups hired the venue.
	(c) Maintain nil written complaints made about the service from hirers.	No complaints received from hirers.
	(d) Useage by hirers of in-house design/ service.	This service was used by ten hirers.
	(e) Increase in hirings income from £22,000 to £24,000.	£45,700 net achieved.
	(f) Production of Multi-Language leaflet to promote hirings.	On hold awaiting a review of future operation of the Studio.
	(g) Hold annual hirers forum.	Held in March 1992.
	(h) Introduce computerised monitoring system.	Introduced in April 1992.

**APPENDIX 9.27 QUESTIONNAIRES FOR LONDON BOROUGH OF LEWISHAM**

**QUESTIONNAIRE FOR PERFORMANCE REVIEW OFFICER  
David Webb, Performance Review Team, Finance Department  
David Riley, Principal Policy Officer, Central Policy Unit**

**SECTION A  
BACKGROUND**

- 1. Was the proposal to introduce performance review initiated by officers or members?**

The initiative was originally suggested by members, in particular the Deputy Leader of Policy but it was driven by officers. However, it would have to be said it was driven by central officers rather than service officers who originally felt threatened by performance review. The Director of Finance has been a significant motivating force behind performance review in this council

- 2. Was any other review process operational prior to the introduction of the PR system? If yes, is the current system a modified or enhanced version of the previous process?**

There has been a long history of in-depth scrutiny type reviews in Lewisham and these still operate and constitute one half of performance review in this authority and are operated by the Finance Department basically as internal audit type reviews. Additionally, in 1988 we introduced Service Programmes which is the other strand to Lewisham's approach to performance review. Service departments were asked to identify their key service areas and what activity is occurring in respect of these areas. From this we have built up targets and indicators and information is now reported on these twice during the year.

- 3. What were the reasons for introducing the current system?**

Performance review has emerged from the continued fiscal crisis which faced this authority throughout the 1980s - we were capped seven years in a row and were down to the bare bones, no reserves or balances remained. The in depth reviews were helping us to identify what could be done better in specific areas and was assisting the rationalisation of cuts. However, we were beginning to lose sight of our overall purpose and the Service Programmes which forced departments to consider what their purpose was, was seen as a way of addressing this. It also reflects the increased profile of performance in local government. The Audit Commission had been promoting performance review for some time and although our system is very different from the Commission's model, it put the issue onto our agenda for consideration. This authority had progressed enormously in terms of devolved management and we wanted a system which accommodated rather than reversed that.

- 4. Does your council have a Mission Statement or Statement of Objectives?**

Lewisham has a set of Core Values which inform all Council activities and departments are being asked to link their indicators to the core values. However the step below this is departmental/service objectives and I think we need to consider introducing a set of Council Objectives. We are traditionally compartmental here and this has been reinforced by the prolonged fight for resources between departments so I think we would particularly benefit from a collective statement of Lewisham's objectives but as yet we don't have one.

## **SECTION B ESTABLISHING THE PERFORMANCE REVIEW SYSTEM**

- 1. What measures were taken to draw support and involvement from officers in setting up the PR process?**  
 The system was not introduced with a big bang but really just emerged from a number of other initiatives. As a consequence this wouldn't really have been appropriate. The original scrutiny system caused a great deal of resentment with officers because it was really intended as a cost-cutting exercise and it was the then Director of Finance sending his boys in to see where cuts could be made. We did what we could to get departments to work with us and make the cuts as painless as possible and as least likely to affect critical service delivery. This went some way towards dispelling our hatchet-man image but at the end of the day cuts did have to be made and it was easier to blame us. By the time we came to overlay the Service Programming system, a much better relationship had emerged and there was a new Director of Finance. However, no specific measures were taken to promote officer support.
- 2. What measures were taken to draw support and involvement from members in setting up the PR process?**  
 The original idea of service programmes came from members and when we had had a chance to see how it could work, we did some presentations to committees. Members were enthusiastic and at one stage set up a Members Performance Review Working Group to undertake reviews of particular service areas. The initial area focused on was Lewisham's interaction with the public and the Group went to swimming pools and libraries etc. The exercise was very productive but because it demanded so much member input and officer support, it was not repeated on anything like that scale. Member involvement varies depending on the service area they are involved in and how developed performance review is in that service area.
- 3. Were goals and targets formally set before the introduction of the PR system?**  
 No they weren't and departmental goals and service area targets have emerged from our review process but the quality of the latter is very variable reflecting the understanding, commitment and ability of officers and members in different service areas.
- 4. How were policy targets set for the PR system and who set them?**  
 This is not really applicable to the situation at Lewisham. Responsibility is devolved to individual departments so technically it should be the committee for that service area that will determine the policy targets. However, in some areas, considerable input from senior service officers is required and much of our focus is operational and thus although we have targets they are not really policy targets but rather operational goals.

**5. How were performance measures set for the PR system and who set them?**

Whilst the same comment more or less applies here, service officers have been more involved in this area. We have also made it a policy that whenever an in-depth review is undertaken, a set of performance indicators is determined. The Citizen's Charter is providing departments with the impetus to define measures because we have indicated that if they do not set any themselves then we will apply the Audit Commission's measures even though we think these are shallow. Departments can't then complain that the Charter Indicators are inappropriate if they have been given a chance to define their own and been unable to.

**6. What were the main technical problems encountered in implementing and operating the PR system?**

In some areas. officers found it difficult to define measures particularly social services who argued about the qualitative nature of what they do. There was also a reluctance on the part of some to specify their key service areas lest they should have money cut from other areas.

**7. Were any other major difficulties or problems encountered in setting up the system?**

I think there were difficulties and still are about the interrelationship between the two strands of performance review. Technically they inform each other. If something looks wrong on the Service Programmes then it would probably be recommended for in-depth review subject to resources being available to conduct such a review and as previously indicated performance measures normally emerge from scrutinies. However, there have been some difficulties getting the distinction understood with some people viewing them as the same even though one is operated through Finance and one through the Central Policy Unit. I think real commitment from officers has also been a problem but much of this is historical reflecting the cost-cutting image of review.

**8. Did your authority draw on the experience of other authorities when setting up the PR process?**

Not specifically particularly since we seemed to be experiencing more financial crisis than our neighbours. We were very conscious of a lack of experience in setting up review systems and on the basis of this became one of the founding members of the Policy and Performance review Network.

**9. Did your authority make use of internal/external consultants?**

I suppose we are really the internal consultants for this authority. External consultants weren't used because the position at Lewisham is I think unique and it would have taken too long to get a consultant up to speed on our position.

## **SECTION C**

### **THE PERFORMANCE REVIEW SYSTEM**

1. **When was the PR system first introduced?**  
The in-depth reviews have a long history but were used extensively during the 1980s. We are trying to establish a rolling programme or reviews so that all areas get looked at over say a five year period but this does raise resource difficulties. The Service Programmes first emerged in 1988 and have evolved since then.
2. **Over what time period was the PR system introduced?**  
It has been a gradual process and it has really taken us about five years to get to where we are. If you compare this authority now with back then, the difference is astounding. I suppose it took a couple of years to get some sort of consistency in the service programming and then the subsequent years have been concentrated on refining and improving what we have. I still think we have a way to go particularly in terms of consistency.
3. **How does performance review fit into the corporate management structure?**  
I (David Webb) have responsibility for the scrutinies which come under the auspices of the Finance Department whilst David (Riley) oversees the Service Programmes through the Central Policy Unit. However, I wouldn't say that we have a corporate management structure at Lewisham as such. The centre here is very small because of our fiscal squeeze and we continually have to justify our existence with service directors arguing that the money would be better spent on services.
4. **Which Committee has responsibility for performance review?**  
Theoretically all committees but only some will take the matter seriously. The Policy Committee does promote service programming but until last year there was a great deal of animosity between the deputy chair of policy and the service chairs with this being viewed as interference. However, this seems to be improving.
5. **What is the designate of the officer responsible for performance review?**  
I suppose the Assistant Chief Executive, Barry Quirk in day to day matters and ultimately the Chief Executive. We do all the central work between us with Barry only getting progress reports or involved if there is some sort of exceptional need. All chief officers are responsible for performance review in their areas.
6. **Which officers carry out PR work? (e.g. policy planners, internal auditors)**  
Internal audit, policy officers and all departmental managers.
7. **How many staff are specifically involved in performance review?**  
This is impossible to gauge in this authority since so many areas are covered. I suspect that a number of officers who are involved at the service level do not know that that is what they are doing.

- 8. Do officers continue to support and participate in the PR process?**  
 With varying degrees of enthusiasm I suspect. I think we are out of the extreme financial crisis that we were in - or may be it is just that every one else has caught up - and I think this has reduced some of the resistance to talk to the centre. We are gradually trying to address the corporateness of Lewisham which is historically compartmentalised and devolved and I think this may cause some resentment but I also think that they are increasingly recognising what we are trying to achieve in our approach. I think with time they are increasingly using performance review as a tool within their own departments, particularly the big departments and this must be seen as a success.
- 9. Do members continue to support and participate in the PR process?**  
 Yes to the extent that members are involved but the system has really become an officer instrument. This was not pre-planned but is just the way the system has evolved.
- 10. Is there any mechanism for communicating knowledge of process and performance targets to junior management or operative grade staff?**  
 This is left at the discretion of departments. I presume that some will be better than others and only some will consider this appropriate.
- 11. Are consumer measures identified within the PR system and were the views of consumers sought before the system was drawn up?**  
 Service programming is founded on Public Service Orientation and the customer is the key focus in this council. Our entire approach has been an attempt to move away from inward officer-driven decision-making to outward, customer-driven service provision. We do a considerable amount of consumer surveying both centrally and also some departments have commissioned extensive surveys. Having said that, there is no rule which demands that consumer measures be included for all service areas but they feature strongly.
- 12. Are measures of quality incorporated into the PR system?**  
 Quality is much harder to access than customer perceptions. We are gradually addressing this but it will take time. Members are particularly keen on quality at the moment so it will probably have a high profile for a while.
- 13. Is any attempt made to distinguish between economy, efficiency and effectiveness in the performance measures utilised?**  
 Most of the measures are operational and include economy and efficiency indicators but effectiveness remains an area largely uncharted. This is generally the harder area to generate measures for but additionally here, it has been impossible to take a strategic perspective during the past few years because of the financial strait-jacket we have been sporting. I think it will be some time before effectiveness indicators are part of the system here.
- 14. Is a distinction drawn between operational (day-to-day) measures and strategic targets?**  
 As indicated previously, we are devoid of strategy indicators because of our recent history.

- 15. Does the PR process operate across all departments in the authority? If it does not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments?**  
 Service programming features throughout Lewisham but at varying standards of input from departments. Review areas are dependent on circumstances and are sometimes referred by members or officers and sometimes are selected because it is clear that things are going really well and that organisational lessons could be learned. Whilst more consistency would be good to see this would be at the expense of the centre having to interfere and this could be detrimental in the long term since it might jeopardise all the progress we have made to date.
- 16. How is the PR system linked to the policy planning/ strategic planning process?**  
 Through the Service Programmes. All Committees have to identify their key results areas and targets and indicators within these. These are reported on twice during the year but departments may report more frequently if they want and may utilise review more extensively within their departments. Having said that, there is nothing pulling all the policy information together - all of this is devolved to departments.
- 17. How would you describe your councils budgetary process? (e.g. zero-based, incremental)**  
 Normally in crisis. I suppose it is incremental except that we are looking at cuts at the margins. The scrutiny reviews were an attempt to move away from this so that if savings could be found particularly in non-essential areas then money could be diverted, In practice the scrutinies occasionally revealed the need for increased resourcing in a particular areas. We are trying to introduce a more rationalised budgetary system where we fundamentally look at why we do certain things. But there are so many other things to do.
- 18. How is the PR system linked to the budgetary process?**  
 There is no formal link but this reflects our devolved management system. I would say that performance review has increased the effectiveness of devolved management because it has given progressive managers the tool to demonstrate all that they are achieving with their resources and to highlight what could be achieved with additional amounts.
- 19. Is the PR system linked to performance appraisal and/or performance-related pay?**  
 Not as such in this authority although some departments may have done some work on appraisal that we are unaware of. There is an Employee Development Scheme in operation where managers meet with their staff to discuss what they have been doing in the recent past and to determine a work programme and what is to be achieved in the coming period. Although this is similar to appraisal, its purpose is not to evaluate the performance of staff but to identify their developmental needs. Performance appraisal has negative undertones and in Lewisham we felt that we wanted to develop staff rather than appraise them and have tried to frame it more positively than often occurs in other authorities.



**SECTION D  
GENERAL VIEWS OF SYSTEM**

1. **Do you consider the current institutional arrangements relating to performance review satisfactory?**  
I think given the history and circumstances at Lewisham they are as good as we could have hoped for. Although more central co-ordination might be beneficial, I suspect that this would be at the expense of commitment from certain quarters.
2. **Have any major changes been made to the PR system since its introduction?**  
No but it has been continuously refined.
3. **Have there been any significant changes in the organisation of your authority since the PR system was established and did the system cope and do you think it could cope with significant organisational changes?**  
Lewisham seems to always be undergoing some sort of change. The most significant recent development has been the amalgamation of street lighting, the maintenance of pavements and our arboricultural work into a department called Street Care. This arose from a scrutiny of street lighting which indicated that it would never be effective unless it was combined with other services having to regularly go to the same areas. More generally, where there is a will, then performance review as we operate it will survive. However, if a key player came in very opposed to it then it could go although we would anticipate that some departments would retain some review activities in their areas.
4. **What do you consider to be the main strengths of the PR system?**  
It has helped Lewisham face successive Government challenges particularly on the financial front. It has helped us rationalise cuts and has assisted in our devolved management system. It has instilled a sense of what is a good manager. Because of our very small central core, Lewisham is dominated by professionalism but I think the review system has identified some areas which were previously considered to not be of relevance in service departments. The change in culture which has slowly taken place owes a lot to the operation of service programming. Defining a set of core values and getting officers to link their targets and indicators to them is progress in itself.
5. **What do you consider to be the main weaknesses of the PR system?**  
It has reinforced our compartmentalism, the remoteness of the authority's departments from one another and its devolved nature has allowed those services who don't really want to bother with review, to do the minimum. Members are not systematically involved to any significant degree and I think this must be addressed in the future.
6. **On the whole, do you consider performance review to have been successful?**  
It has done a lot for this authority and we are now much more publicly orientated than before and this definitely wouldn't have happened had it not been for review particularly the service programming aspect. However, since a clear objective for performance review was not set, it is hard to say that it has been successful. I think there are some things we might have been hoping to achieve which haven't occurred, for example, an improved corporate identity.

**7. What are the most important future developments you would like to see in relation to performance review?**

I think Lewisham has to address its corporateness or rather the lack of it. Service Programming may be ensuring that departments have all thought out what they should be achieving and highlighting whether it is being achieved but as an overall organisation, there is no agreement about our direction. Corporate objectives would help. More consistency in approach would also prove beneficial but only if this was without loss of departmental ownership.

**QUESTIONNAIRE FOR CHIEF EXECUTIVE  
Barry Quirk, Assistant Chief Executive**

**SECTION A - ESTABLISHING THE PERFORMANCE REVIEW  
SYSTEM**

- 1. Were you the chief executive at the time the performance review (PR) system was being established and were you or would you have been, in support of its introduction ?**  
I am the assistant chief executive and I came here five years ago. I have worked in 6 London Boroughs, most recently at Bexley helping them set up their review system.
- 2. Is the current PR system an enhanced/modified version of a previous review system ?**  
Performance review at Lewisham is made up of two bits. The one-off reviews were used a lot throughout the 1980s when we were extremely hard-pressed for cash. They were a way of allocating cuts. They still occur but usually chief officers or senior members are recommending areas for scrutiny and they are now used more for improving weak areas and informing best practice often from one part of the council to another, than as a means of identifying cuts. So I guess this a modification of what was previously in operation. The other strand, Service Programming, which incorporates targets and performance measures for key results areas for each service area is new and began in 1988.
- 3. What role did you play in the development of the PR system ?**  
I came here just before the Service Programmes were established but the only central co-ordination of the programme is through a check on each department's Service Programme. Beyond this it is up to committee chairs to make sure that they are receiving the relevant information twice a year and that the department has implemented the service programme as envisaged. Some departments have gone further and indeed some committee have set up sub-committees to scrutinise performance and policies. I thus didn't play much of a role in the development of the process although I do oversee its operation now.
- 4. Were departments co-operative, generally, and with each other, in setting up the PR process ?**  
The problem with most-purpose authorities such as the London boroughs, is that they deliver such a wide spectrum of services and you have to get the message across to a wide spectrum of people with vastly different backgrounds and experience. Inevitably, there will be some who will be unsupportive and not co-operative particularly of anything which they see as central interference. We have been increasingly emphasising devolved management and there were some chief officers who thought that this initiative was the centre trying to regain a foothold. However, as this has been demonstrated to not be the case, there has been a gradual warming to the notion. However, I would say that we did not meet with as much resistance as I thought might be the case and I think that this reflects the fact that so much discretion was left with departments.

5. **Were any cost-benefit studies of the PR system carried out prior to its establishment ?**  
No, we couldn't afford them. Since establishing the service programmes wasn't going to involve significant resource input, this question did not really arise.
  
6. **Did the process of setting up the PR system cause the authority to focus on the objectives of services and did this lead to a reappraisal of the service and/or a redefinition of the customer ?**  
The whole push has been towards looking at service objectives with performance review being a mechanism of ensuring that we do not just go through the motions of setting objectives but rather ensure that progress towards them is achieved. Inevitably, some services have been reappraised in the course of doing this. There has been a general trend towards thinking more carefully about what our customers want and in some service areas, for example, leisure services, we have made huge inroads. However, I wouldn't have said that a redefinition of the customer had occurred in all departments, or probably even in most. But progress in the right direction is definitely on the way. You can not devolve management responsibility and power and then prescribe how things are done so inevitably there are areas like this which could be tightened up on.
  
7. **Were any major difficulties encountered in setting up the system ?**  
No although I would like to have seen a clearer role for members identified from the outset.

## **SECTION B - THE PERFORMANCE REVIEW SYSTEM**

1. **How does performance review fit into the corporate management structure ?**  
The scrutinies or one-off reviews fall under the Finance Department's remit but the staff there are perceived by most quarters of this organisation to be unbiased and independent. I think they have been very fair in the work which they have done. The Service Programmes are scrutinised by the Central Policy Unit and David Riley oversees this making sure that they are up to standard. After that, it is down to departments some of whom do much more reviewing of performance than that necessary within the service programmes.
  
2. **What responsibilities do you have for its operation ?**  
I have responsibility for the Central Policy Unit and thus the Service Programmes. However, David Riley does most of that work and just keeps me posted of progress unless there is a clear indication of something being amiss.
  
3. **Is there any mechanism incorporated into the PR system for communicating knowledge of process and performance targets to junior management or operative grade staff ?**  
There is no systematic mechanism but most chief officers will meet with their staff 3 or 4 times a year and will determine each members of staff key objectives (normally about 10), actions to achieve them and success criteria. I presume that they look at past performance within this. But theoretically this could only look at the individuals performance rather than that of the whole service area.

- 4. Are consumer measures identified within the system and if so were the views of consumers sought before the system was drawn up ?**

This varies significantly from service area to service area and I know that some departments have commissioned surveys of users views. I think that consumer needs are relatively high profile in local government just now and I therefore think that they will inevitably feature in most departments. However, I would reckon that there will inevitably be some areas where this could be tightened up. Public service orientation is at the heart of our approach here so I think that we are probably ahead in the customer game.

- 5. Are any measures of quality incorporated into the system ?**  
 Again this will be dependent on the department but the Council has been promoting quality and this has actually received strong backing from members. However, quality is elusive so progress on this front is relatively slow.

- 6. Does your PR system operate across all the departments in your authority ? If not, how were departments selected for inclusion and is it your intention to extend the system to incorporate all departments ?**

It operates across the wide spectrum of services operated by Lewisham but as previously outlined, some departments take it more seriously than others and have input more to reviewing their performance than others. I would reckon that they will consequently reap more benefits. I think that the more you put in, the more you get out.

- 7. How does your PR system cope with conflicting and multiple objectives ?**

Such difficulties would be resolved at committee level. Performance review is about setting targets and indicators and monitoring performance accordingly but since these cascade down from the policies set by committees, the review system does not have to resolve such problems.

- 8. Is the PR system linked to performance appraisal and/or performance-related pay ?**

In Lewisham, we have an Employee Development Scheme which is similar to performance appraisal but more positive and less-threatening. This will identify the training needs of employees and normally occurs through the regular review meetings which senior managers have with their staff.

## **SECTION C - CORPORATE AND GENERAL ISSUES**

- 1. Is any provision made for monitoring and appraising tasks which are not incorporated into the PR system ? Has the workforce's perception and performance in relation to these tasks altered.**

This doesn't really apply the way the system works at Lewisham. I suppose the chief officer would have to address this if he felt there was a problem.

- 2. Has the introduction of the system been associated with any changes in corporate values/culture (e.g. more customer-orientated) ?**

We previously didn't have corporate values but we do now. These were set up as standards which should inform service delivery. They do not dictate services but rather indicate ideal standards. We actually put all our middle managers through a brief training programme to show them how the councils core values could inform service delivery in their areas and to emphasise that the values were not just something that we had on a poster. I would say that there has also been a cultural change but this has been more transient and gradual so it is more difficult to identify and inevitably some of this would have occurred as we got out of the financial strait-jacket which we were in.

- 3. Do you feel that the system has contributed significantly towards achieving :**

- **a corporate management perspective ?**
- **corporate goals ?**

I think Lewisham always has been a large compartmentalised organisation and that securing a corporate management perspective would be well-nigh impossible here. However, I think at the departmental level there is far more of a common perspective. At least all staff in the department know what the objectives for their service are. We do not have corporate goals as such although I know there are some in this authority who would like to see them introduced but I personally think that we will continue to empower departments rather than force more cohesiveness.

- 4. Has the PR system identified any training needs either in relation to its operation or as a consequence of its establishment ?**

We did some training with managers on the core values and describing the purpose of the Service Programming approach. We also did some training on service and business planning with external assistance. I suppose that we could have given more guidance on targets and indicators but they are there to assist managers not us and thus we wanted them to evolve independently to maximise ownership. Some departments may have done additional training in relation to performance review but this would not be reported to us. The scrutinise often identify training as a solution to a weak area.

- 5. Have any major changes been made to the PR system since its introduction ?**

The Service Programmes have been refined and a number of departments have made significant developmental progress. However, such changes have been self-initiated rather than centrally-imposed. The emphasis of the in-depth reviews in recent years has shifted away from searching out areas for budget cuts towards worthwhile areas which need strengthened and in transferring knowledge of good practice sometimes from one part of the organisation to another.

**11. What do you consider to be the main weaknesses of the PR system?**

By the nature of the organisation, the system lacks rigour. We are heavily dependent on chief officers to implement the Service Programmes fully including reviewing what has been done. I would not want to change our approach but think that there needs to be some way of pulling all the information together and forcing departments lagging behind to take more action. Perhaps this a role which members could absorb.

**12. What are the most important future developments you would like to see in relation to performance review ?**

I would like to see more rigour introduced although I do not have a clear way of how this could be done without inducing a lot of alienation and resentment and probably some loss of ownership. I would like to see members more involved. We have a high turnover of members here and a significant number actually work other London authorities. They are also relatively young and I am surprised that they have not demanded more of a role for themselves at a general level. Some Committee Chairs are a bit more involved but the review aspects of Service Programmes tends to be left to managers with only the summary information going to committee. At the moment the information that is generated only really scratches the surface and I would like to see more depth to the analysis of services particularly the process of service delivery. I think that for many of our services, it is not the end product which is important but rather the process of delivery. I would like to see performance review embedded into the consideration of the design of services.

- 6. Have there been any significant changes in the organisation of your authority since the PR system was introduced ? If yes, were these the result of the system operating and did the review process cope with the change ?**  
 Lewisham faces constant change as does most of the local government sector. However, the system here follows on from policies so it is difficult to envisage changes which would impact on the review process. Having said that a few departments have used the uncertainty as an excuse for inactivity particularly proposing that they should wait and see what emerges from the Citizen's Charter before determining their indicators. Since our internal indicators come from policies this is clearly just an excuse.
- 7. Do you consider the PR system to be dynamic that is, adaptable to changing circumstances ?**  
 I think the way that it is operated here, being based on policies which are regularly reviewed and revised by councillors and chief officers, should prevent the system from going stale. Having said that, performance review at Lewisham is really just an activity to support policy implementation. It is a mechanism for ensuring that officers actually follow through on delivery once a policy has been determined. As such, I do not anticipate that it will change considerably in the next few years but will just be refined in the light of experience.
- 8. Has the system encountered any major problems or difficulties in operation ?**  
 I would have to conclude that at the moment, the management rhetoric is ahead of reality. The pace of change is lagging behind that which I certainly desire and I don't think we are as far forward as we might have been if more of an effort had been made across the board. Much of this is attributable to our devolved management approach - we can't make chief officers progress at our specified rate particularly given the challenges which some service areas have faced.
- 9. On the whole do you consider the PR system to be successful ?**  
 I think that it has given Lewisham back a sense of perspective. Because of the extreme cuts that have had to be endured, I think that we had lost sight of what we were trying to achieve as an organisation. We had lost our sense of purpose. I think that the Service Programmes have forced all departments to think about what they are trying to achieve in their service areas. Looking at performance within that framework has helped managers to realise how much they actually do and has restored a direction in most quarters of the authority.
- 10. What do you consider to be the main strengths of the PR process?**  
 I think that we wanted a system which was a loose overcoat. Some of the systems which I have seen are more of a strait-jacket, stifling innovation and entrepreneurship. Although they look impressive from a distance, they are actually flawed particularly if one considers a longer time horizon. They are good at getting things kick-started but often stagnate after a relatively short period. Although the process introduced at Lewisham appears to be comparatively unstructured and perhaps a bit haphazard, it is well-suited to the needs of this organisation. It reflects and accommodates our devolved management approach. The chief executive was appointed on an enabling ticket and his role is to enable, empower and police boundaries for service departments. The review system here fully acknowledges this.



**QUESTIONNAIRE FOR RULING GROUP MEMBER  
Councillor Steve Tennison, Chair of Policy & Resources**

1. **Which party has overall political control in your council?**  
This is a Labour Council
  
2. **What is the political balance of your council?**

Labour	58
Conservative	6
Liberal Democrats	3
  
3. **Was your political party in power at the time the PR process was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
Lewisham has a long tradition of Labour domination and although Labour was in control in 1988 when the Service Programme were introduced, there have been several key chairs who have left so it is not quite the same Labour group as it is today. I would say that members were supportive of its introduction because it was a way out of the short-termism which the council had adopted because of the budgetary pressure it had been under. This was a way of Lewisham becoming more strategic. It was however, really driven by officers.
  
4. **Which committee has responsibility for the PR process?**  
All committees. The way the system operates here is that responsibility for service reviews is devolved to departments and service committees. Although there is some variation in the way departments and committees have responded, overall most committees receive information twice a year on the areas which were agreed as the key results areas and on the targets and indicators determined for that service.
  
5. **Were members involved in the development of the PR process?**  
Leading members were involved in the development of the authority-wide Service Programmes and some members will be involved in determining the scale of review which occurs in service departments.
  
6. **What part do you personally play in the PR process?**  
I am Chair of Policy and Resources and thus I see and comment on all Service Programme submissions. Through that committee, I also have a say in the decision of areas for scrutiny reviews. These are normally suggested by officers and members but we cannot do all those suggested, for resource reasons so we have to decide which to pursue. We also sometimes have to decide on undertaking an uninvited review because an area doesn't seem to be operating particularly well normally identified by a continual overspend on its budget.
  
7. **What part does the majority group play in the PR process?**  
They hold all the Chairs on the Service Committees and therefore see all the review information and comment accordingly. They also suggest review areas and some will input into departmental review processes where these have developed beyond the service programs.

- 8. How are your Council's political objectives determined?**  
 I suppose the first level is the national policies of Labour but we then meet as a constituency party to discuss these and they are then debated amongst Lewisham's Labour Group. The Policy Committee ratifies the Council's policies which reflect our political objectives. However, although we have core value for the councils, we do not have corporate objectives only objectives for service areas. Because the opposition is so weak here and because we have such a large majority, all of our proposed policies are adopted.
- 9. How are these incorporated into the PR system?**  
 Through the Service Programmes. These begin with the policies for the service areas and then cascade down into key results areas, targets and measures of success.
- 10. Has the PR system helped your administration achieve its objectives?**  
 I think it has helped achieve policies by providing the framework for demonstrating what we are doing and achieving but I think we have to address what our core, corporate objectives are.
- 11. Does the majority group and/or the minority group use the PR process for political purposes?**  
 The minority group here is very small and ineffective and has had little input into performance review. I think we are gradually seeing chief officers using the results of review to negotiate for additional resources and I think if this trend continues then committee chairs will begin to use it politically to bargain for a bigger share of the cake for their service area.
- 12. How does the PR system relate to the policy planning process?**  
 Service Programmes are the basis of our policy process. Service committees decide what policies they are pursuing in the departments/service areas they encompass and then key results are determined and performance in relation to these reviewed twice a year or more frequently if a committee deems this to be appropriate.
- 13. How does the PR system relate to the budgetary process?**  
 Although we have made enormous progress in the area of devolved management, this has been at the expense of innovative budgeting which is basically operated incrementally in this borough. For us to move away from our current budgeting system would mean that we would have to take a much more corporate look at what we wanted to achieve and then to determine a budget which supported that. I don't even think that is desirable but it almost certainly infeasible at Lewisham. However, although the service programs are unrelated to the budgetary process at Council level, most departments are prioritising their resource allocations on the basis of the key results areas agreed by service committees.

**14. How have directors of service departments, directors of technical departments and the chief executive, related to the PR process?**

I don't think the division is between service and technical departments. There has been wide variation in response which is unrelated to the type of area covered. Some of the departments which are used to struggling have responded well and those which have put areas out to tender, particularly environmental services here, have responded most positively. One of the problems with our system is that there is nothing force a department to really take this initiative seriously if they choose not too especially if the service chair is not enthusiastic. I think officers at a general level, have responded well but this authority is still traumatised from the effects of the past few years and I think many are just beginning to stop operating on a reactionary basis and considering what service programmes might offer Lewisham.

**15. What do you regard as the main strengths of the PR process?**

I think it has improved service delivery and in particular has brought front-line services into the spotlight. I think all the nooks and crannies of Lewisham are thinking about strategy albeit in varying degrees and that we have a framework to become a strategically-focused council again. You cannot imagine the pressure which we have been under and I think that this has helped us put our heads above the parapet again. I also think that departments, which have been at logger-heads over resources, are gradually talking to one another again as they have to consult about certain policy options. I suppose that this would have happened anyway but the Service Programmes gives then an excuse.

**16. What do you regard as its main weaknesses?**

I think we have become a bit complacent with the service programmes. We have not really taken a thorough look at whether the contents of the service programmes are what our residents actually want. We decide what the key results areas are and perhaps we should be looking at what our 'customers' actually want. We determine what services the over-75s want and assume that because there is a high take up that these are the right services. I think we need to take a more fundamental look. I think the current way we operate Service Programmes allows too much discretion to chief officers some of whom are reluctant. I think we need to find a way of retaining our devolved management system but securing a more coherent and consistent approach. The current system doesn't prevent members meddling from in internal management and I think that we have to force an end to this so that they can concentrate their energy on strategy and policy.

**17. What are the most important future developments you would like to see in relation to performance review?**

As well as addressing the weaknesses which I think the system has, I think that we need to think about what the council overall wants to achieve. Do we just want departments to deliver the services that they consider to be appropriate. I think this is reinforcing a compartmentalised approach to service delivery and local government is moving away from that. I think perhaps we will have to look at having some sort of layer above the Service Programmes. I would also like to see an improved quality of information coming out of the service programming cycle. I think that this is still dominated on the whole by officers.

**QUESTIONNAIRE FOR SERVICE DEPARTMENT DIRECTOR  
KEN MAY- Director of Leisure Services**

- 1. Which department are you the director of?**  
I came here as Director of Leisure Services some eleven years ago. My background is in music rather than local government and a significant number of staff here come from different walks of life.
- 2. Were you the director at the time the PR system was introduced and were you or would you have been supportive of its introduction? Has this position changed following implementation?**  
I was completely behind the introduction of service programming and performance review to Lewisham. Being a relatively small, non-essential department, I have had to bear more than my fair share of the budget cuts that have faced the Council during the past years. This has forced me to take a fundamental look at the services provided by this department and to prioritise accordingly and to ensure that we squeeze as much out of each £1 as possible. We have become highly innovative in the fight for survival and were in essence operating a form of performance review prior to the formal introduction of the system at Lewisham. I suppose other departments are just gradually catching up with us and only now face the challenges that we have had to confront for a considerable time. My support still remains the same although I would like to see some aspects of the system strengthened.
- 3. How were the policy targets set for your department and who set them?**  
We had concentrated on policies for a long time before this central push. Policies are technically determined by members but leisure services are not an area which members get particularly hot under the collar about and so I have had more input into the policy process, suggesting policy innovations etc., than would be the case for a chief officer in education for example. Once the policies are agreed, then the key results areas are determined normally between myself and the Committee Chair for ratification at service committee. Targets are then decided for these areas as far as possible involving the relevant staff so that ownership is improved and then approved by committee. Leisure services have progressively moved away from direct service provision so it is critical for us to ensure that our standards are being met.
- 4. How were performance measures set for your department and who set them?**  
In the same way as policy targets but with perhaps even more involvement of staff. I personally have had an involvement in the determination of the Audit Commission's indicators in the leisure services area so I think that the citizen's charter indicators which emerge will not be at odds with what we have developed here.

**5. To what extent were you included/consulted in designing and developing the system for your department?**

The system at Lewisham leaves a lot of discretion with departments about how they want to develop things. As long as they can demonstrate to the centre that performance review is occurring, then they are more or less left alone apart from the in-depth reviews which occur across all service areas. Thus the review system operated in Leisure services has my hallmark on it. Although such an approach improves ownership throughout the organisation, at Lewisham some departments, such as my own, take review very seriously whilst others are doing very little, if even going through the motions. An organisation the size of this would struggle to make progress in the same direction at the same rate across all its constituent parts but I think there should have been more of an effort to streamline what has taken place.

**6. Do you feel that the PR process has contributed to the achievement of departmental goals?**

I think without any doubt, that it has but I don't think that this reflects the overall Lewisham approach since we would be reviewing our performance anyway.

**7. Has the system identified any specific training needs for your department and have these been addressed?**

A number of the one-off reviews, some of which we have commissioned, have indicated the need for training of staff but this has normally been a confirmation of what was already suspected. The key results areas and associated targets and indicators have not really identified training gaps although if performance were to consistently be below expectations we would look at the reasons why which may include the need for training.

**8. Is there any mechanism for communicating knowledge of process and performance targets to junior management and operative grade staff and obtaining feedback from these groups?**

Since junior management and front-line staff have input to the design of performance indicators and to some extent, targets, I consider it only courtesy to communicate progress to them. Having said that, we do not have a formal mechanism or forum for doing this beyond the determination of individual work programmes and particularly with junior management, it is often dependent on their own managers to keep them posted. This is perhaps an area that we could tighten up on.

**9. How has the review system affected your department?**

I think we are thriving rather than surviving. The Service Programmes and public service orientation has given us the framework to determine policies and then to focus on their implementation. I think that in the absence of a central push, this department would still be doing most of what we are doing just now in terms of performance review. However, it has provided a justification for my approach. Although most of my staff were supportive of my way of doing things, it does provide further support for any doubters and for some members who thought that things were a bit over the top in this department.

- 10. Has the review system contributed to the achievement of corporate goals?**  
 We don't actually have corporate goals. We have corporate values and the linkage between the objectives of this department and these values is explicit but this is not the case for all departments. The system in this authority is not really about corporate objectives. Lewisham has a long tradition of central domination and I think the purpose of the current drive is to give departments the framework within which they can be more independent but also accountable. I think that the council does need to address its corporate strategy in the near future.
- 11. Do you have any views on the capability of the review team?**  
 The dealings which I have had with both David Riley and David Webb have been very positive particularly for commissioned reviews of service areas. They have the right balance of impartiality coupled with the ability to listen carefully and be incisive across a wide spectrum of areas. I think that it would be better if David Webb were not in the Finance Department since this still implies that Lewisham's approach is about savings - I hope we have moved away from that.
- 12. Do you believe that performance review as operated in this authority is a genuine attempt to improve performance? Do you see any other implication?**  
 I don't think that there is any hidden agenda. This authority has certainly had its troubles in recent times primarily because of the severe, sustained financial crisis which has confronted it. What we are doing now is a recognition that we could not just continue to react to things. We were down to the bare bones and could not just keep cutting the marginal, non-essential bits. We had to decide what we wanted to do and then to do it. The review framework gives us the tools to do just that.
- 13. Is your reaction typical of departmental directors?**  
 No. I think I am far more positive than some chief officers. I think there are a number who like myself, think that the route we are now going down was critical to the survival of the organisation but there are also a number who severely resent being told that things could be done differently. The real divide comes between departments such as education and social services which are dominated by professionalism, and a long tradition of professionalism at that, and ones like this which are more innovative and bring together people with a range of different backgrounds and who have a bias for action.
- 14. What do you regard as the main strengths of the system?**  
 I think that we now deliver better services, more-relevant services to more people whilst spending less. Some of this is attributable to performance review but some would have occurred in this department anyway. I think review has provided a vindication of the direction that Leisure Services was taking anyway. My view is that performance has to be reviewed in-house rather than externally and I think we now have a reasonable framework within which to do just that. I think that we have stopped just reacting to everything that we are confronted with and are gradually becoming strategic. There was a time when we couldn't really plan because every development was thwarted by budgetary reductions. I think that the Service Programmes have helped stabilise department's agendas.

**15. What do you regard as its main weaknesses?**

I don't think that it is taken seriously enough across all departments in the Council. I think some of the big professionally-dominated departments are barely going through the motions. Delegating responsibility to them, allows such behaviour to go largely unchecked although I think this will be addressed in time. I think members could be pushing this a bit more. They are not hugely involved in performance review which I think is okay but I think if down the line we want to start feeding it into the budgetary system, then more backing will be needed from them. Given the pace of legislative change in local government, we need to make sure that we do not let the approach make us unresponsive.

**16. What future developments would you like to see in relation to performance review?**

I would like to see the big departments radically improving their input and the resultant progress made. I think we need to strengthen our corporate identity although this may be at odds with devolving responsibility, trust and accountability to departments. I think we need to address what the role of the centre actually is now because this has become fuzzy. I think the current system emphasis quantitative aspects of service delivery and we need to address the incorporation of qualitative information. There is a tendency in this authority to look within London for best practice but not all the solutions are centred in London and I think we could trawl around outwith the boroughs and see if we could find examples of best practice which could help us develop.