NORTH AYRSHIRE COUNCIL

25 January 2024

Audit and Scrutiny Committee

Title:	**Our Performance Strategy 2023-28**
Purpose:	To advise the Audit and Scrutiny Committee of Our Performance Strategy 2023-28, including a new approach to self-assessment.
Recommendation:	The Audit and Scrutiny Committee notes Our Performance Management Strategy and that it forms the basis of performance management within our Council.

1. Executive Summary

1.1. This paper presents Our Performance Management Strategy 2023-28 and proposed systematic approach to self-assessment. Our Performance Management Strategy has been updated following the approval of Our Council Plan 2023-28 by Council in June 2023. It reflects the Accounts Commission Statutory Performance Information Direction 2021, learning from the previous strategy and includes key findings from the initial Best Value Thematic Audit.

2. Background

2.1. The Accounts Commission Statutory Performance Information Direction 2021 was published in December 2021. This Direction, effective from April 2022 until March 2025, has a stronger emphasis on self-assessment (as well as other key areas) than the previous Direction.

2.2. In January 2022 the Executive Leadership Team (ELT) discussed the Direction and agreed a revised Performance Management Strategy and new approach to self-assessment should be considered. It was decided the new approach to self-assessment would be included within the revised Performance Management Strategy 2023-28 following approval of Our Council Plan. This also provided the opportunity to gain more insight into the new Best Value Thematic Approach introduced during 2022-23 which directly drives the design and implementation of performance management across our Council.

2.3. Our Performance Management Strategy 2023-28, attached at Appendix 1, combines learning from the previous strategy with the Best Value Thematic Approach and initial draft results of the audit.

2.4. Though intended to be valid throughout the lifetime of Our Council Plan 2023-28, it will need to be reviewed following any statutory or national policy changes such as a new Direction (due December 2024) or changes in the National Performance Framework (currently being consulted on).

2.5. Self-Assessment

2.6. Our proposed approach to self-assessment is summarised on page 17 of Appendix 1. How we self-assess will evolve as we gather feedback on the process and continually adapt and improve. For this reason, it is purposefully a summary within the strategy. Further details on the proposed approach are below.

2.7. During discussions at ELT in January 2021 it was suggested the self-assessment approach could be used to allocate resources effectively across teams/services and identify potential areas of transformation. Following the development of Our Council Plan in June 2023 and release of the 2023 Public Service Improvement Framework (PSIF) for self-assessment in November, it is proposed that North Ayrshire Council adopts the 2023 PSIF approach to self-assessment.

2.8. It is acknowledged that some approaches to self-assessment can be resource intensive, however we would alter our approach based on the 'risk' of a particular team and the depth of assessment would be tailored accordingly. The 2023 PSIF includes 'red threads', these are versions of the framework tailored to particular areas to ensure an efficient and effective process. In addition, the framework provides an opportunity to tailor it further to the needs of each area.

2.9. Prioritisation would be based on the statutory and corporate risk, impact on our communities, financial risk (investment in that team/service), potential reputational damage and whether any external scrutiny of that team/service had recently taken place. The findings of these investigations/audits would allow a decision on whether further assessment is necessary at this time. The approach would link with the Service Reviews process being undertaken by Financial Services.

2.10. Discussions have taken place with other local authorities via national groups, with many re-establishing scheduled self-assessments and using risk to prioritise services.

2.11. Next Steps

2.12. Following approval of the self-assessment approach, officers will identify planned audits and inspections across our Council to help inform a timetable.

2.13. A medium-term programme of the teams/services prioritised for self-assessment would be agreed with ELT and Heads of Service. Following this, the Corporate Policy, Performance and Elections team would work with the team/service to utilise the PSIF. The Improvement Service has agreed to support the initial PSIF self-assessment and train relevant officers in self-assessment. Self-assessment would involve consideration of the following:

- PSIF self-assessment questionnaire.
- Recent audits, inspections and accreditations.
- Operational Plans (service outputs and outcomes).
- Benchmarking opportunities.
- People statistics such as employee absence, additional costs, health and safety, complaint handling, compliments and request response times (for example Elected Member, MP and MSP requests and FOIs etc.) to gain a full understanding of the performance and 'health' of a team.
- Financial management.
- Reputational management (communications and consultations).
- Discussion of results with relevant Senior Managers and Heads of Service prior to final report development and peer review.
- Capturing ideas for innovation or cross service working to improve performance and inform transformation.

2.14. An operational report would be produced and reviewed by a peer review group, similar to the approach undertaken prior to 2020 for Directorate Plan reports. A summary of this report would be published on our website in line with the Direction. Following self-assessment, we would develop work around peer review with other local authorities where appropriate, again with the support of the Improvement Service.

2.15. This approach would be in addition to any scrutiny already existing through public consultations or self-assessment of committees.

3.   Proposals

3.1. It is recommended that the Audit and Scrutiny Committee notes Our Performance Management Strategy and that it forms the basis of performance management within our Council.

4. Implications/Socio-economic Duty

Financial

4.1. The Executive Leadership Team are considering how resources can be provided to help support self-assessment.

Human Resources

4.2. The Executive Leadership Team are considering how resources can be provided to help support self-assessment.

Legal

4.3. We have a statutory duty to demonstrate Best Value. Our Performance Management Strategy and self-assessment approach support this.

Equality/Socio-economic

4.4. There are no equality or socio-economic implications.

Climate Change and Carbon

4.5 There are no climate change and carbon implications.

Key Priorities

4.6 Our Performance Management Strategy directly supports the management of Our Council Plan 2023-28. It is particularly focused on the priority 'A Sustainable Council'.

Community Wealth Building

4.7 There are no climate change and carbon implications.

5. Consultation

5.1 Consultation was undertaken with the Executive Leadership Team.

Aileen Craig
Head of Service (Democratic)

For further information please contact **Isla Hardy, Team Manager (Corporate Policy and Performance)**, on 01294 324035 or email IslaHardy@north-ayrshire.gov.uk.

Our Performance Management Strategy

2023-28

"Driving continuous improvement for the people of North Ayrshire"

North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Contents

Welcome

The core purpose of effective performance management is to improve the lives of the people we serve by using high quality information to make decisions.

We believe the impact our services have on our residents, employees, businesses and visitors cannot be demonstrated through charts alone. It requires a balance of quantitative and qualitative information such as real lived experiences and case studies to measure impact, provide context and effectively inform decision making. This approach relies on excellent communication between all teams to share information and is supported by both the Accounts Commission's Direction 2021 and the Scottish Government's National Performance Framework.

This strategy outlines how our performance management supports a culture of continuous improvement within our Council to support our priorities and so provide the best outcomes for our people. It provides an overview of statutory context and our current performance management arrangements.

Secondly, it includes an overview of planned developments to ensure continuous improvement within our performance management up until 31st March 2028 (coinciding with the lifespan of our current Council Plan). Innovation to ensure effective and transparent performance management will be central to our activities. We reviewed the outcomes of our previous Performance Management Strategy and these have informed our approach.

Finally, this strategy does not attempt to list the vast range of improvement activities currently underway in our Council. These are already covered through existing strategies published on our website. Similarly, this strategy excludes Health and Social Care Partnership performance, which is managed separately.

This strategy is managed by the Corporate Policy, Performance and Elections Team and we would welcome any feedback you may have. We are constantly striving to make our Council and reports as accessible as possible and welcome opportunities to discuss how this can be achieved. For further information please contact:

The Corporate Policy, Performance and Elections Team
Tel: 01294 310000
Email: NorthAyrshirePerforms@north-ayrshire.gov.uk

Key Objectives

Empower and support teams to embed continuous improvement throughout our Council	Establish an effective dynamic performance management framework that reflects our services	Develop perception of performance as driving continuous improvement for the people we serve	Focus on efficient, transparent and robust performance management, minimising duplication and embracing innovation
Enhance accessibility through relevant, clearly understood publications, available through a variety of channels for our residents and stakeholders	Collaborate with and learn from teams across our Council and beyond	Encourage and support effective scrutiny at all levels within our Council as well as by external stakeholders	Establish the Corporate Policy, Performance and Elections Team as key point of contact for performance management

Statutory Duty and National Context

This section outlines the statutory duty of Best Value and the national context that needs to be considered within Our Performance Management Strategy.

Best Value

Best Value is a statutory duty as set out in the Local Government (Scotland) Act 2003 and applies to all public bodies in Scotland. Its core purpose is to ensure good governance, effective use of resources and continuous improvement in order to deliver better outcomes for our people.

A new approach to auditing Best Value within Scottish councils came into effect during 2022/23. *(Note: This approach relates to councils only. The Accounts Commission decided in 2021 not to proceed with Best Value audits of Integrated Joint Boards (IJBs) following a pilot and national policy developments. Broad local and national audits of IJBs will be used instead.)*

The new annual Best Value Thematic Approach explores a particular area of Best Value each year. The theme covered reflects local government risks and challenges and is determined by the Accounts Commission each year.

All 32 local authorities will be audited on the selected theme by their external auditors. The results of the audit will be integrated into the Annual Audit of each council in the autumn. In addition, a national thematic report will be produced to show a Scotland-wide view of performance.

At least once every five years a council's report will be highlighted to the Accounts Commission by the Controller of Audit through a section 102 report. The current programme of Best Value reporting is due to be published in October 2023, with final reports in August 2027.

At time of writing our most recent Best Value Audit Assurance Report was published in June 2020 and is available by clicking on the image to the right. We are currently undertaking the Best Value Thematic Approach for 2022/23, the results will be included in the Annual Audit expected to be published in November 2023.
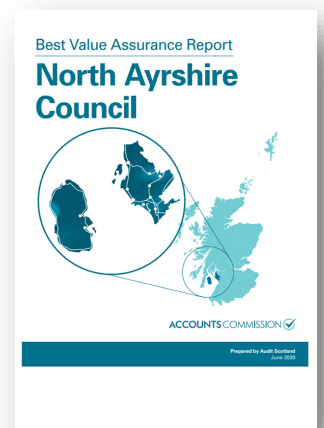
Where the audit identifies areas for improvement, these will form part of an action plan managed by the Corporate Policy, Performance and Elections Team on behalf of the Executive Leadership Team. Actions are expected to be monitored within the audit year by the appointed external auditors on behalf of the Accounts Commission. Updates on Best Value actions will be reported regularly to Cabinet, Council and the Audit and Scrutiny Committee as appropriate.

Direction 2021

The Accounts Commission has the statutory power to determine the performance information that must be published by local authorities. The Accounts Commission's Direction 2021 on Public Performance Reporting came into effect in April 2022 and defines how local authorities should demonstrate they are achieving Best Value for their residents up to March 2025.

The Direction gives flexibility in determining which performance indicators (PIs) meet the requirements of Best Value. Central to this is demonstrating continuous improvement and self-awareness in terms of our strengths and

areas for improvement. The Accounts Commission expects us to ensure balanced reporting as timeously as is practical.

Our strategy will be immediately refreshed following any new Direction from the Accounts Commission.

An extract from the 2021 Account Commission Direction showing the two Statutory Performance Indicators (SPIs) is below:

"Each council will report on a range of information covered by the following two indicators (including in combination if desired):

Statutory Performance Indicator 1: Improving local services and local outcomes

- *Its performance in improving local public services, both provided by itself and in conjunction with its partners and communities.*
- *Progress against the desired outcomes agreed with its partners and communities.*

The Commission expects the council to report such information to allow comparison (i) over time and (ii) with other similar bodies (thus drawing upon information published by the Local Government Benchmarking Framework and from other benchmarking activities).

The Commission expects the council to, in agreeing its outcomes with its partners and communities, report on how it has engaged with, responded to and helped to empower its communities, including those who require greater support.

Statutory Performance Indicator 2: Demonstrating Best Value

- *Its assessment of how it is performing against its duty of Best Value, including self-assessments and service review activity, and how it has responded to this assessment.*
- *Audit assessments (including those in the annual audit) of its performance against its Best Value duty, and how it has responded to these assessments.*
- *Assessments from other scrutiny and inspection bodies, and how it has responded to these assessments.*

In satisfying the requirements set out in this schedule, the Commission expects the council to take cognisance of current statutory guidance on Best Value requirements, and in particular to ensure:

- *Balance in reporting areas of improvement that have been achieved and not achieved.*
- *This is undertaken in a timely manner.*
- *Easy access to its performance information for all of its citizens and communities, with such information presented in an accessible style."*

The 2021 Direction is the core focus of our Performance Management Strategy. Key changes between 2018 and 2021 Direction include greater focus on:

- Self-assessment and evidencing how this is used to improve services. (SPI 1)
- Assessments and inspections and how we have used this information to improve. (SPI 2)
- Empowering communities, particularly those requiring additional support, to set priorities and scrutinise performance in an accessible way. (SPI 1 and 2)
- Supporting the new annual Best Value Thematic Approach. (SPI 2)

National Performance Framework

The Scottish Government's National Performance Framework aims to create a more successful country with more opportunities and better wellbeing for the people of Scotland. It looks to create sustainable and inclusive growth and reduce inequalities by giving equal importance to economic, environmental and social progress and aligns to the United Nations' Sustainable Development Goals.

The National Performance Framework directly influences the outcomes within our Council Plan. Further information is available by clicking the image to the right.

At time of writing a review of the National Outcomes is taking place. Following this review our Performance Management Strategy will be updated with any amendments.
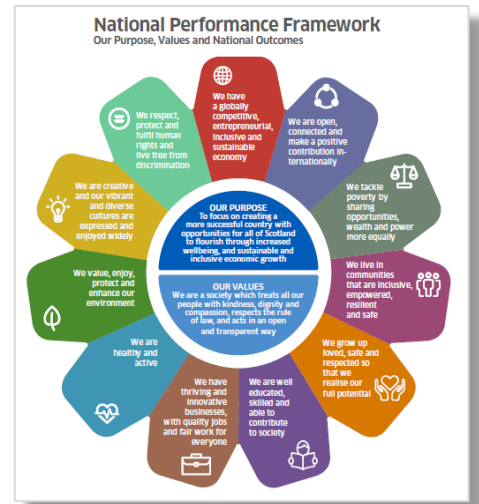
The Local Government Benchmarking Framework

The Local Government Benchmarking Framework (LGBF) is administered by the Improvement Service in partnership with SOLACE. It is highlighted within the Direction 2021 and provides an opportunity to benchmark our performance with other local authorities in Scotland. As a result, many of the indicators are used within our Council Plan.

By recording the same indicators as other local authorities across a wide range of themes we can identify opportunities to learn from each other. The Direction 2021 gives scope to focus on the LGBF indicators that directly link to our Council Plan priorities. South Lanarkshire Council took this approach as highlighted by the Accounts Commission in the Local Government in Scotland Overview 2023. As a result, we have adopted this approach in 2023.

Local authorities with similar traits such as type of geography and levels of deprivation are categorised into "family groups" to enable as close as a like for like comparison as possible. Performance can be explored through the LGBF online tool by clicking the image above and further information is contained in the Benchmarking section of this strategy.

Local Context

This section outlines local context that needs to be considered within Our Performance Management Strategy.

The Community Plan

The Community Plan (Local Outcome Improvement Plan), is administered by our North Ayrshire Community Planning Partnership which consists of public, private and voluntary organisations and groups working together with communities through our six Locality Partnerships to make North Ayrshire a better place to live. The Community Plan has three themes:

- **Wellbeing** – Health and Wellbeing – Reducing inequalities by targeted support to improve individual, family and community wellbeing.
- **Work** – Economy and Skills – Addressing the causes and effects of poverty through a strong local economy and skills base.
- **World** – Climate Change – Working more closely and effectively together to reduce carbon emissions and mitigate the impacts of climate change.

Locality Plans

Locality Plans are created by each of the six Locality Partnerships in North Ayrshire. Though supported by officers within our Council, the priorities and plans are led by our communities. As such, priorities vary by locality.

Our Council Plan 2023-28

Our Council Plan 2023-28 is the main strategy for our Council for the next five years. Our vision 'A North Ayrshire that is fair for all' is shared with The Community Plan.   Our mission 'Working together to improve the lives of our people in North Ayrshire' demonstrates how continuous improvement is embedded within our culture.

Our Council Plan outlines our priorities created in partnership with our residents and is aligned to The Community Plan. It is the core basis of our statutory performance reporting as outlined in the Accounts Commission Direction 2021. All plans that sit underneath Our Council Plan must align to it. Our Council Plan has four interlinked priorities:

- **Wellbeing** – To transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people.
- **Communities and Local Democracy** – We will have active, inclusive and resilient communities.
- **Climate Change** – To achieve net-zero by 2030.
- **A Sustainable Council** – A community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities.

For more details, please click the image on the right.

Operational and Team Plans

Operational and Team Plans are not reported in the public domain, however they are critical in providing the detail needed to deliver Our Council Plan priorities. Operational Plans inform Team Plans, which in turn are more detailed. Both Operational Plans and Team Plans are crucial in supporting self-assessment.

Personal Development Reviews

Personal Development Reviews are key to ensuring all employees are aware of how their actions contribute to the Council Plan priorities. They should take place at least once per year in addition to regular discussions about personal and team performance with line managers. Personal Development Reviews are also known as "Our Time To Talk" for all non-teaching employees, "Personal Review and Development" for teaching employees and psychologists and "Participant Quarterly Progress Reviews" for Modern Apprentices.

Our Staff Values

Our Staff Values support a culture of continuous improvement by providing key guidance on how employees are expected to approach their activities. They are central to our recruitment and employee development. For further details please click on the image to the right.
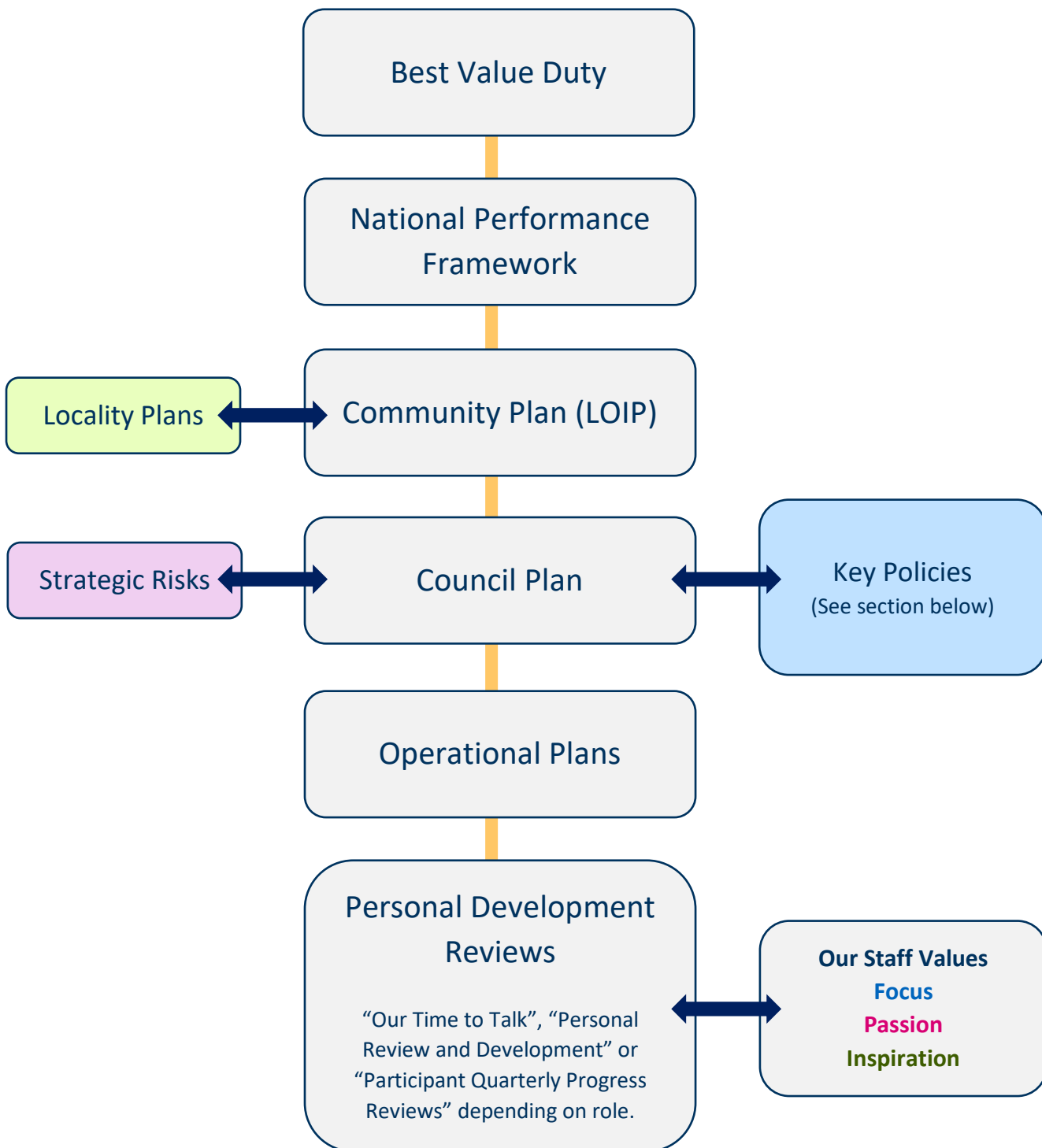
Strategic Risks

We are risk aware, not risk averse. To ensure effective risk management many activities taken to mitigate strategic risks can be found within our Council Plan and Operational Plans.

Performance Management

The "Golden Thread"

Every task of every employee within our Council contributes to achieving better outcomes for the people of North Ayrshire. This link is referred to as the "Golden Thread". An overview is shown below:

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                    │     Best Value Duty      │
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                                │
                    ┌─────────────────────────┐
                    │  National Performance    │
                    │       Framework          │
                    └─────────────────────────┘
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┌──────────────┐    ┌─────────────────────────┐
│ Locality     │◄───│  Community Plan (LOIP)   │
│ Plans        │    └─────────────────────────┘
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┌──────────────┐    ┌─────────────────────────┐    ┌─────────────────────┐
│ Strategic    │◄───│      Council Plan        │───►│   Key Policies      │
│ Risks        │    └─────────────────────────┘    │ (See section below) │
└──────────────┘                │                   └─────────────────────┘
                    ┌─────────────────────────┐
                    │    Operational Plans     │
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                    ┌─────────────────────────┐    ┌─────────────────────┐
                    │ Personal Development     │───►│  Our Staff Values   │
                    │ Reviews                  │    │       Focus         │
                    │                          │    │      Passion        │
                    │ "Our Time to Talk",      │    │    Inspiration      │
                    │ "Personal Review and     │    └─────────────────────┘
                    │ Development" or          │
                    │ "Participant Quarterly   │
                    │ Progress Reviews"        │
                    │ depending on role.       │
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Key Policies

The policy landscape is summarised below:

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National Themes / Policies

- Best Value and continuous improvement
- Community Empowerment (Scotland) Act 2015
- Best Start Bright Futures Tackling Child Poverty Plan 2022-26
- The United Nations Convention on the Rights of the Child (UNCRC)
- The Promise
- Getting it Right for Every Child (GIRFEC)
- Islands (Scotland) Act 2018
- Human Rights Based Approach
- Fairer Scotland Duty
- Equality Act 2010
- Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 – Net Zero Scotland by 2045
- Placemaking Approach
- National Strategy for Economic Transformation (NSET)
- Green recovery and renewal

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Local Strategies

- Community Wealth Building Strategy
- The Regional Economic Strategy
- Community Plan (LOIP)
- Health and Social Care Partnership Strategic Plan
- Education Service Improvement Plan
- Child Poverty Action Plan
- Children's Services Plan
- Children's Rights Report
- Youth Participation and Citizenship Strategy
- Island Plans
- Regeneration Delivery Plan
- Local Housing Strategy
- Strategic Housing Investment Plan (SHIP)
- Local Development Plan
- Environmental Sustainability and Climate Change Strategy
- KA Leisure (North Ayrshire Leisure Limited) Business Plan

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Roles

Everyone is responsible for performance, every task undertaken in the working day contributes to our "bigger picture" outlined by Our Council Plan (as detailed in the "Golden Thread" section above). However, roles have specific responsibilities in terms of performance management.

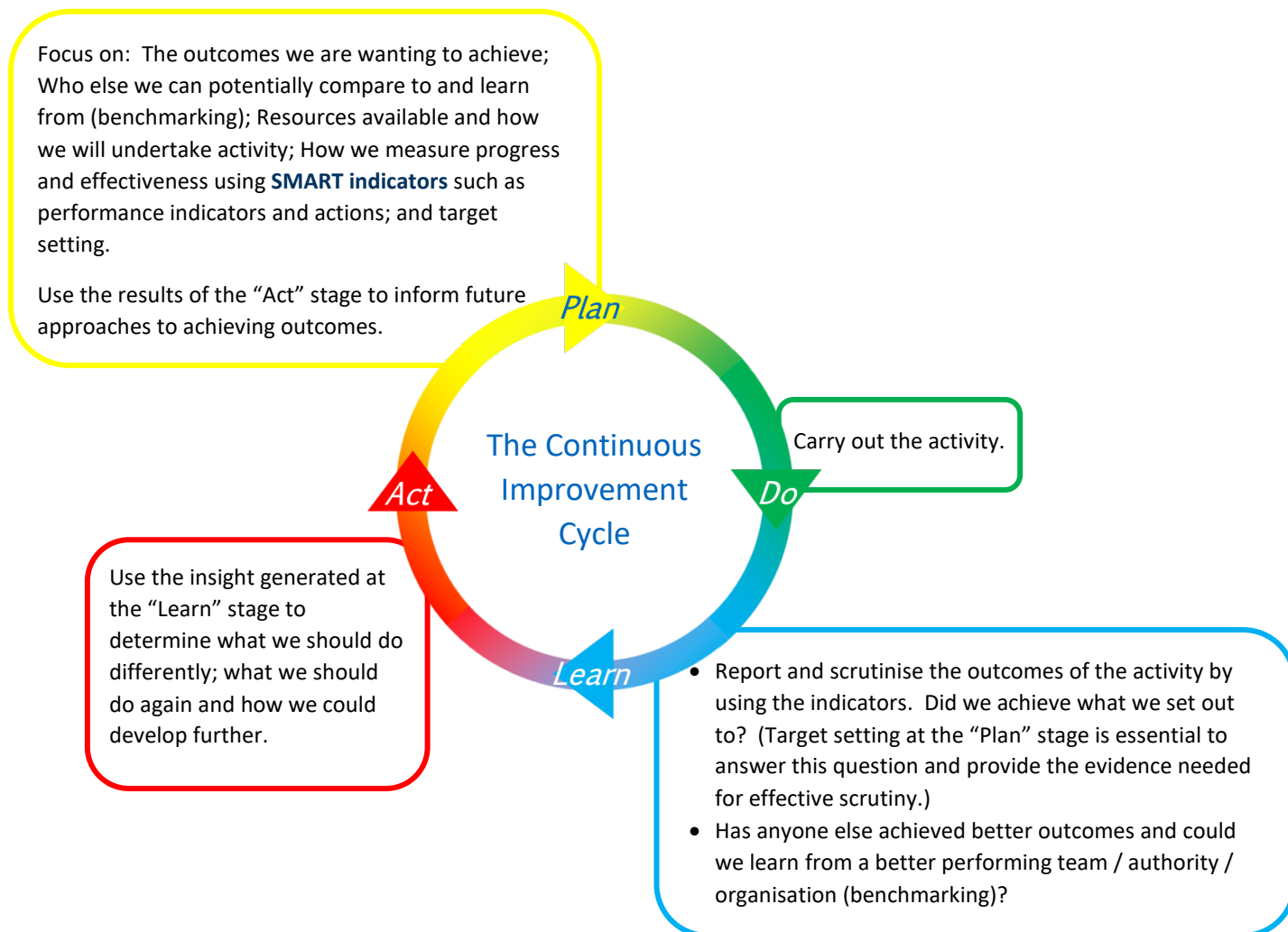|	
Accounts Commission	The Accounts Commission is the independent public watchdog for local government, they report directly to our residents.
North Ayrshire Council	North Ayrshire Council is responsible for approving the Council plan which sets out our vision and direction for five years.
North Ayrshire Council's Audit and Scrutiny Committee	The Audit and Scrutiny Committee has oversight of a range of functions including the preparation of a strategy for performance review; ensuring that Chief Officers establish and implement arrangements for reviewing service performance against objectives; monitoring the performance of the Council towards achieving policy objectives and priorities; and reviewing the implementation of Our Council Plan.
North Ayrshire Council Cabinet	Cabinet is the main decision making body within our Council. It is responsible for the setting of the vision and direction of our Council, scrutiny of performance and approving the submission of performance reports to the Audit and Scrutiny Committee.
Executive Leadership Team (ELT)	The Executive Leadership Team has strategic responsibility for our Council Plan, scrutinising performance and agreeing action and resources to address areas of underperformance.
Executive Directors	Executive Directors are responsible for the strategic direction of their directorate and ensuring it is inline with Our Council Plan. They have overall responsibility for the performance of their directorate. In addition they are directly involved in finalising the priorities and content of Our Council Plan.
Heads of Service	Heads of Service are responsible for managing and scrutinising the performance of their teams through Council Plan reporting and Operational Plans. In addition they scrutinise and approve the release of information to external regulators. They also identify opportunities to learn by benchmarking performance with others (not limited to other local authorities).
Corporate Policy, Performance and Elections Team	The Corporate Policy, Performance and Elections Team leads the delivery of the statutory duty to demonstrate Best Value as set out in the Local Government (Scotland) Act 2003. This includes supporting the Executive Leadership Team in the creation, management and reporting of Our Council Plan and other performance frameworks, contributing to national performance networks and collaborating with all teams within our Council to achieve continuous improvement.
Senior Managers and Team Managers	Managers are responsible for managing the performance of their team and supporting their team to deliver overall objectives in Our Council Plan. In addition Senior Managers are responsible for Operational Plan creation including setting objectives and targets and may be involved in updating Council Plan performance. They also identify opportunities to learn by benchmarking performance with others (not limited to other local authorities).
All Employees	We all contribute to Our Council Plan through delivering the tasks agreed in our team plans and personal development reviews. As a result we all contribute to improving outcomes for the people we serve.

The Continuous Improvement Cycle - Plan Do Learn Act

Performance management and performance reporting are very different things. Performance management is using the information available to us to effectively plan, undertake activities and learn from the results. We then act on this learning to inform future planning to meet the needs of the people of North Ayrshire. This is known as "The Continuous Improvement Cycle" or "Plan, Do, Learn, Act".   Performance reporting is a method within the "Learn" part of this cycle to show what has been achieved so progress can be effectively scrutinised and any changes to the approach made (in the "Act" and "Plan" stages).

Focus on: The outcomes we are wanting to achieve; Who else we can potentially compare to and learn from (benchmarking); Resources available and how we will undertake activity; How we measure progress and effectiveness using **SMART indicators** such as performance indicators and actions; and target setting.

Use the results of the "Act" stage to inform future approaches to achieving outcomes.

Plan

The Continuous Improvement Cycle

Carry out the activity.

Do

Act

Use the insight generated at the "Learn" stage to determine what we should do differently; what we should do again and how we could develop further.

Learn

- Report and scrutinise the outcomes of the activity by using the indicators. Did we achieve what we set out to? (Target setting at the "Plan" stage is essential to answer this question and provide the evidence needed for effective scrutiny.)
- Has anyone else achieved better outcomes and could we learn from a better performing team / authority / organisation (benchmarking)?

This really is a continuous improvement cycle with its complexity and timescales tailored to the strategic level, scale or risk of a plan, project or activity. It is key to effective performance management throughout North Ayrshire Council.

Be SMART: SMART objectives and indicators* are:

Specific	Precise in what we are trying to measure.
Measurable	Realistic in terms of how we can measure the indicator and how practical it is to source this data when needed. If the effort of sourcing the data outweighs its value, then an alternative measure could be a better choice.
Achievable	Ambitious but realistic targets.
Relevant	The measure relates to our priorities, will tell us what we need to know to make a decision and relates to the overall aim.
Time-bound	There are timeframes for achieving goals.

It is important to make a distinction between SMART indicators and other sources of information such as real lived experiences which are invaluable in informing policy and demonstrating impact.

For further details about the "Continuous Improvement Cycle", creating performance measures and setting targets to effectively manage performance, please contact the Corporate Policy, Performance and Elections Team. Further information on benchmarking can be found in the next section.

Benchmarking

Benchmarking is comparing our performance to others (not only the public sector or within the UK) and learning how to improve as a result. This is not limited to comparing performance indicators, we actively benchmark by comparing different approaches to address the same issue or achieve similar outcomes.

We are one of 32 Scottish local authorities utilising the Local Government Benchmarking Framework (LGBF), coordinated by the Improvement Service and SOLACE. This framework enables us to compare our performance across a wide range of themes with other local authorities in Scotland. In addition, to provide as close a comparison as possible, councils with similar traits are grouped into "family groups". This gives us access to a wide range of comparable data on as close to a like for like basis as possible. Further details on the LGBF can be found above.

We compare performance through several routes, many of which are specialised such as APSE.

Performance Reporting and Scrutiny

We have a statutory duty to report our performance in a balanced and timeous way. In addition, the process of reporting our performance ensures effective scrutiny by peers, Elected Members and ultimately our residents. An overview of the process is shown below.
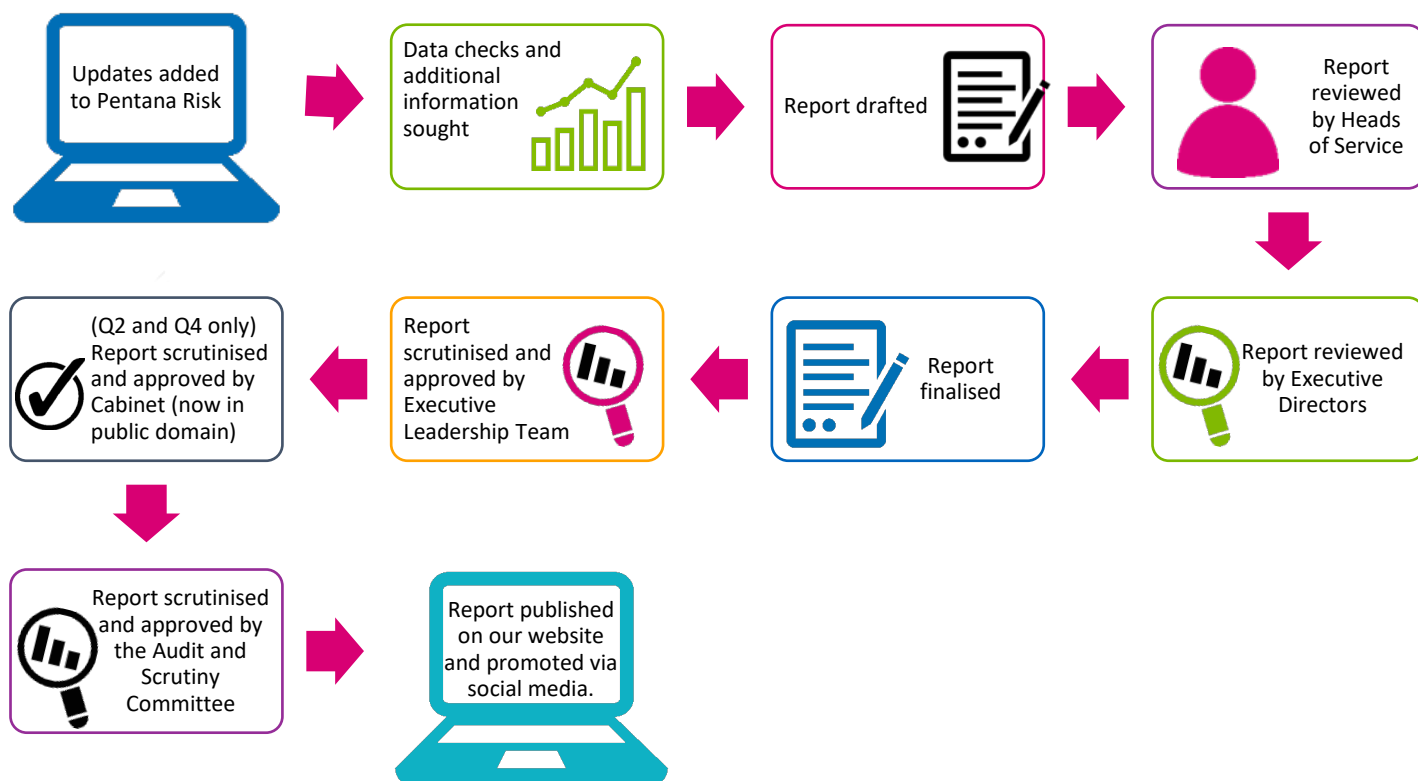
In addition, there is a good deal of checking data, ensuring notes explain performance and provide context, sourcing qualitative information around the impact we are having such as case studies and ensuring our reports are accessible and relevant to the people of North Ayrshire. This includes the use of Power BI as the basis of our North Ayrshire Performance Dashboard.

As a result, effective time management is crucial to ensure reports are scrutinised and in the public domain while the data is still as relevant as possible. We work with teams to ensure good quality timeous information.

Actions

Actions represent an update on planned activity over a certain time period. For this reason, action updates are explanations of performance, including what is going well and, if an activity is behind schedule, what is being done to address this.

The actions within Our Council Plan summarise activity undertaken through existing key strategies. The status of an action is determined in one of two ways:

1. If the action has not yet reached its due date, an informed decision is made by the action owner on whether they consider the action to be on target, slightly adrift or significantly adrift of where it should be at that time. This can be informed by project plans and milestones held within teams.
2. If an action is not complete at its due date, it is automatically set as significantly adrift of target. Due dates can only be extended where there is a reasonable explanation to do so. The amended timescales are then presented to Cabinet for full transparency and approval.

Actions form the basis of the narrative within Council Plan Progress Reports. A visual Action Status Tracker is included in the reports to enable any action trends to be identified.

Action Timescales

Traditionally corporate performance management and reporting coincided with financial years, however with long-term developments such as the Ayrshire Growth Deal as well as recognising that some services, for example Education, work to different reporting frequencies and timescales such as academic years, this was reviewed as part of our previous strategy.

In April 2021 we introduced a more dynamic form of performance management that reflects the activity rather than the financial or academic year. This ensures:

- Education performance is captured using term time frequencies and academic years where appropriate within our corporate reporting. (I.e. Academic year end is captured in Quarter Two / Mid-Year Council Plan reporting.)
- Large scale projects are reported at a level where the full project, or relevant milestones (rather than small elements), are reported – preserving the context and providing a holistic view of performance and impact.

As actions for specific areas end, potential replacement actions are identified. These are approved by the Executive Leadership Team and Cabinet when public facing performance reporting is presented for scrutiny and approval (at Quarters Two and Four). Rationale for any replacement actions is on a case-by-case basis based on priorities and operating environment rather than like for like replacements.

The corporate Annual Performance Report remains aligned to financial years and captures all performance progress within that year.

Performance Indicators

Performance Indicators (PIs) are numerical measures such as 'number of', 'percentage of' and so on. We set targets where possible and appropriate to do so. This informs the status of the PI at each reporting period (see below).

Where practical to do so, PI reporting frequencies should be quarterly or half yearly within Our Council Plan in addition to annual reporting, with a minimal lead in time.

Performance Status (RAG Status)

The performance status is also known as RAG status due to colour coding used to show progress (red, amber or green). Within our performance reporting the status of a PI or action is determined as follows:

Status	Description
✔	On target
⚠	Slightly adrift of target (typically this represents a variance ≥ 1% and < 5% from the target).
⬟	Significantly adrift of target (typically this represents a variance ≥ 5% from the target).
📈	Data only (PIs only) – this is where a target has intentionally not been set, usually due to the indicator being a new indicator or where we can only partly contribute to the outcome.
?	Data not available / status unknown - (PIs only) the status is not available either due to data not being available or no target being set.

When calculating the percentage of indicators with each status, the most recent available status is used up to the previous financial year end. For example, Quarter Two 2023-24 uses statuses up to 31st March 2023. This ensures any data with a time lag is reported, yet information older than this is given the status of "data not available" for this calculation to ensure past performance does not impact on the scrutiny of current performance.

Indicators set as data only or with no data available are excluded. For example:

$$\text{Red status percentage} = \frac{\text{Number with red status}}{\text{Number of red + amber + green status}} \times 100$$

Positive and negative trends are shown within our reporting. In terms of Our Council Plan these are defined as:

- **Short-term Trend:** Comparison with previous year.
- **Medium-term Trend:** Comparison with three years previously.
- **Long-term Trend:** Comparison with more than three years previously.

Schedule of Corporate Reporting

	Quarter 1 (April to June)	Quarter 2 (July to September)	Quarter 3 (October to December)	Quarter 4 (January to March)	Annual
Council Plan	Light touch summary presented to the Executive Leadership Team.	Full six-monthly progress report produced for scrutiny by the Executive Leadership Team, Cabinet and the Audit and Scrutiny Committee. Published on our website.	Light touch summary presented to the Executive Leadership Team.	Full six-monthly progress report produced for scrutiny by the Executive Leadership Team, Cabinet and the Audit and Scrutiny Committee. Published on our website.	Full year Annual Performance Report produced for scrutiny by the Executive Leadership Team, Cabinet and the Audit and Scrutiny Committee. Published on our website. Public facing North Ayrshire Performance Dashboard updated.
Local Government Benchmarking Framework (LGBF)					LGBF report produced for scrutiny by the Executive Leadership Team, Cabinet and the Audit and Scrutiny Committee. Published on our website.
Operational Plans	Operational Plans are supported by the Corporate Policy, Performance and Elections Team. They are reported within Services and Directorates but are not in the public domain.				

In addition to corporate reporting, many directorates have specialised reporting to the Scottish Government, external regulators and groups.

Planned Improvements

We have a duty to ensure balanced reporting and effective scrutiny. This can only be achieved through working alongside teams to address any issues and provide support where it is needed. This section shows how this will be achieved, alongside planned improvements to strengthen our compliance with the Direction 2021.

The Council Plan Performance Management Framework

Within our previous Council Plan 2019-24 sub actions were introduced and sourced from existing strategies. Though intended to strengthen the golden thread between the Council Plan and teams, this resulted in approximately 100 specific actions within our Council Plan making effective scrutiny challenging.

Our Council Plan 2023-28 Performance Management Framework takes a more strategic approach, where actions are higher level but mapped to existing strategies. More than one team may be assigned an action. Relevant teams are then able to provide a fuller update, focussing on the performance of that strategy as well as associated activity. This should support more effective scrutiny and cross team working, promoting a whole system approach to our delivery for the benefit of our residents.

Tell Us Once

Following a successful pilot during the Quarter Two 2020-21 reporting period, the Corporate Policy, Performance and Elections Team adopted a "tell us once" approach, sourcing qualitative information from existing sources as far as possible to minimise the duplication of effort within teams. This was especially important due to frontline services addressing immediate need due to the Covid-19 pandemic. Though there is still scope to reuse information held corporately, the extent of this approach will be scaled back. This is to ensure teams can regain effective ownership of their performance and a more strategic update can be produced in collaboration with Heads of Service. A proposal will be developed and presented to the Chief Officers Leadership Team (COLT) in January 2024.

Best Value Thematic Approach

We will support the Best Value Thematic Approach across our Council. This includes supporting the audit and ensuring any actions are managed and reported as appropriate to the ELT, Cabinet, Council or Audit and Scrutiny Committee as appropriate.

Pentana Risk

Pentana Risk is our corporate performance management system. We will engage with services to improve how we use Pentana to support effective and timeous updates of performance information.

Deadlines for the year will be published in the North Ayrshire Council Pentana homepage alongside information on additional support and links to final Progress Reports to help strengthen the reporting cycle.

We will enhance our use of portals (online viewing) to:

- Ensure users can view their own Council Plan actions and PIs, so there is a clear definition between statutory Council Plan measures and internal reporting.
- Enable teams to run Operational Plan reports on demand as required, providing greater flexibility for non-corporate updates within teams.

We will ensure corporately reported data is hosted centrally where appropriate. However, we understand other systems are in use for good reasons. Therefore, we will not require the data to be transferred / duplicated onto Pentana Risk other than for Corporate Reporting such as for our Council Plan or The Community Plan (LOIP).

We will ensure our performance management systems across our Council are supporting rather than defining our performance management approach due to historic or other reasons.

Self-Assessment

A new approach to self-assessment will be introduced using the Public Services Improvement Framework (PSIF) tailored to teams and services. We will work with the Improvement Service to initiate the approach. Key principles will be:

- Use of PSIF tailored to risks and capacity of teams and services.
- Reporting to a 'peer review' group consisting of members of the Executive Leadership Team to invite scrutiny and inform resource allocation.
- Reporting summaries on our website and within Council Plan progress reports as appropriate.

Information used to inform the assessment will include:

- PSIF self-assessment questionnaire.
- Recent audits, inspections and accreditations.
- Operational Plans (service outputs and outcomes including benchmarking opportunities).
- People statistics such as employee absence, additional costs, health and safety, complaint handling, compliments, request response times (for example Elected Member, MP and MSP requests, FOIs etc.) to gain a full understanding of the performance and 'health' of a team (balanced scorecard).
- Financial management.
- Reputational management (communications and consultations).
- Discussion of results with Senior Manager and Head of Service prior to peer review.

This is in addition to scrutiny provided through public consultations and self-assessment of committees.

Benchmarking

Benchmarking information such as data within the Local Government Benchmarking Framework was heavily impacted by the Covid-19 pandemic. This has meant the value of comparisons over recent years has been limited. As the data stabilises and is more reflective of Council performance, we will improve our approach to benchmarking through:

- Ensuring benchmarked data relates directly to Our Council Plan priorities.
- Utilising Power BI to illustrate trends in a clearer way.
- Approach councils within our family group (or other councils performing particularly well) to understand our relative performance and seek improvements.

Quarterly Performance Update Deadlines

Within the 2021-24 Performance Strategy we recognised competing demands on teams at quarter end and aimed to resolve issues through:

- Extending corporate deadlines from two to three weeks after quarter end to accommodate associated demands including gathering information from remote teams and data checking within secondary performance management systems. It also addressed capacity issues due to school holiday periods coinciding with quarter ends.
- Extending deadlines only when agreed with the Corporate Policy, Performance and Elections Team under certain circumstances, such as data source availability, data validation or team capacity issues.
- Educating teams in the need for deadlines to be met in order to produce reports that contain relevant timeous information that can be effectively scrutinised, highlighting the impact of delayed reporting.
- Training to ensure where no update is available, a note will be provided by the team assigned the measure to explain the reason and when the information will become available.

Deadlines are now three weeks after quarter end, however the other elements require further action and will continue within the 2023-28 Performance Management Strategy.

Format of Public Facing Reports

We will continue to:

- Produce engaging "magazine" format performance reporting tailored for our residents.
- Share reports directly with our own teams as well as community groups following publication.
- Work with teams to better engage with our young people.
- Encourage feedback and use this to further improve our reporting.
- Use consistent branding across all corporate performance documents.
- Engage more with residents through social media using the #NorthAyrshirePerforms.
- Ensure our reporting is accessible.

In addition, we will capture recent audits, inspections and accreditations and associated improvement activity within our Council Plan progress reports, linking to published reports where possible.

Publication of Reports and General Information

We will improve how our reporting is published both within our Council and externally through working with our Communications Team to develop a regular schedule. We will review our webpages and ensure all information is relevant and timeous.

Power BI

We will continue to use Power BI to provide greater insights from the data we hold. This includes people statistics within Operational Plans, LGBF analysis and the North Ayrshire Performance Dashboard.

Training

Corporate training will be refreshed for performance management, scrutiny and Pentana. The approach will be based on feedback from teams across our Council.

Learning From Our Services

Performance should not be a desk-based exercise. To enable effective reporting, it is important Policy and Performance Officers have first-hand experience of many of the areas reported on. As a result, representatives from the Corporate Policy, Performance and Elections Team will be encouraged to attend events such as Locality Partnerships and community forums, as well as other activities, to increase our understanding of how to report and reach our residents more effectively.

Support to Embed Continuous Improvement

We will support teams to embed continuous improvement throughout our Council by offering a range of support as listed below.

- **Benchmarking support** – Not only output/data based, but outcome based.
- **Scrutiny support** – Develop training for officers and Elected Members on effective scrutiny of our performance.
- **Signposting to data for policy creation** – The Corporate Policy, Performance and Elections Team has knowledge of, or access to, various sources of local and national data and information.
- **Collaboration with other teams** – Working closely with teams to make performance reporting as effective and efficient as possible.
- **Corporate data returns** – coordinating key cross service data returns such as the LGBF return.
- **Continued professional development of our team and those we support.**

Managing Strategy Effectiveness

The above activities will be monitored through the Corporate Policy, Performance and Elections Operational Plan. Key activities will be included within Council Plan Progress Reporting where appropriate.

For further information please contact:

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