

**South Ayrshire Council**

**Report by Director of Strategic Change and Communities  
to Cabinet  
of 20 June 2023**

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**Subject: Performance Management Framework 2023-28**

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**1. Purpose**

1.1 The purpose of this report is to seek approval for the updated Performance Management Framework 2023-2028.

**2. Recommendation**

**2.1 It is recommended that the Cabinet approves the updated Performance Management Framework as set out in Appendix 1.**

**3. Background**

3.1 The Council continues to place an emphasis on the management and use of performance information in order to drive continuous improvement and deliver Best Value.

3.2 Effective use of performance information allows the Council to be more open and confident about how our services are performing and contributing to the delivery of the agreed Council and Community Planning Partnership outcomes and priorities.

3.3 The Performance Management Framework (PMF) 2023-2028 supports the delivery of the Council Plan 2023-2028 and its annual council and service planning cycles. The aim of the PMF is to set out the arrangements by which it plans, delivers, reviews and improves what it intends to achieve, both as a Council and with its partners.

3.4 The Best Value Assurance Report of October 2021 made a series of recommendations for the Council to consider as part of its performance reporting. In January 2021 Service and Performance Panel agreed to an updated Performance Management Framework that included:

- changes to terminology to ensure it matches the wording of our six commitments;
- introducing the requirement to monitor performance against targets where possible;
- introducing the requirement to provide a management summary at the beginning of performance reports and setting out guidance on what the summary should include; and

- updating the reporting schedule to include quarterly performance (KPI) reporting where available.

3.5 While there was an increase in target setting in relation to Local Government Benchmarking Framework (LGBF) KPIs, there was also recognition that it is challenging to retrospectively add targets to a plan that was first developed in 2018 and was due to expire. The new PMF and service planning process ensure that KPIs are an integral part of reporting regime.

#### **4. Proposals**

4.1 The Performance Management Framework sets out the national and statutory context including Best Value and the Accounts Commission's Direction 2021 on Public Performance Reporting and the importance of benchmarking.

4.2 The PMF consists of five inter-related elements by which the Council will move from improvement to excellence:

- Setting clear outcomes and priorities – what the Council needs to do to achieve its vision and ambitions;
- Self-evaluation – measuring how the Council is doing and what it needs to do to improve;
- Service and improvement planning and management – setting out how the Council is going to deliver and manage services and improvement;
- Performance management, monitoring and reporting – monitoring how the Council is doing; and
- External assessment and accreditation – how others see the Council and gaining external validation.

4.3 The PMF also sets out the proposed reporting schedule for the Council Plan 2023-28. It is proposed that service plans will be monitored by the Council Leadership Team quarterly, with the format of these performance report meetings to be agreed by Chief Officer's ahead of the first report. Reports will be considered by Service and Partnerships Performance Panel in quarters two and four. Elected members can access Pentana at any time to view updates and progress on all service plans.

4.4 An annual report will be produced every December for approval by Council.

#### **5. Legal and Procurement Implications**

5.1 The recommendations in this report are consistent with legal requirements.

5.2 There are no procurement implications arising from this report.

#### **6. Financial Implications**

6.1 Not applicable

#### **7. Human Resources Implications**

7.1 Not applicable

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## 8. Risk

### 8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 There are no risks associated with adopting the recommendations.

### 8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 The risks associated with rejecting the recommendations are that the Council will not have an agreed PMF in place to monitor performance and improvement.

## 9. Equalities

9.1 The proposals in this report allow scrutiny of performance. The report does not involve proposals for policies, strategies, procedures, processes, financial decisions and activities (including service delivery), both new and at review, that affect the Council's communities and employees, therefore an equality impact assessment is not required.

## 10. Sustainable Development Implications

10.1 This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## 11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## 12. Link to Council Plan

12.1 Outlined below:

<b>Priority</b>	<b>Outcomes</b>	<b>Indicate each outcome that applies</b>
Spaces and Places	<b>Moving around and the environment.</b>	<b>Yes</b>
	<b>Play, Sport and Recreation</b>	<b>Yes</b>
Live, Work, Learn	<b>Education and lifelong learning</b>	<b>Yes</b>
	<b>Work and economy</b>	<b>Yes</b>
	<b>Housing</b>	<b>Yes</b>
Civic and Community Pride	<b>Pride in South Ayrshire</b>	<b>Yes</b>
	<b>Community Engagement</b>	<b>Yes</b>
Support Services	<b>Efficient and effective enabling services</b>	<b>Yes</b>

### 13. Results of Consultation

- 13.1 There has been no public consultation on the contents of this report.
- 13.2 Consultation has taken place with Councillor Martin Dowey, Portfolio Holder for Corporate and Strategic, and the contents of this report reflect any feedback provided.

### 14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Director of Strategic Change and Communities will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Deliver the updated PMF	31 March 2028	Service Lead – Policy, Performance and Community Planning

**Background Papers**    **None**

**Person to Contact**    **Kevin Anderson, Service Lead - Policy, Performance and Community Planning**  
**County Buildings, Wellington Square, Ayr, KA7 1DR**  
**Phone 01292 612982**  
**E-mail [kevin.anderson@south-ayrshire.gov.uk](mailto:kevin.anderson@south-ayrshire.gov.uk)**

**Date:**    **13 June 2023**

# Performance Management Framework 2023-2028







# Performance Management Framework

The Performance Management Framework (PMF) 2023-2028 supports the delivery of the Council Plan 2023-2028 and its annual council and service planning cycles.

The Council has put the delivery of excellent services to the people and communities of South Ayrshire at the heart of what we do. We recognise that there is always more we could do to improve services, make them more effective and deliver them more efficiently – balancing quality of service with value for money. We are on a journey from delivering improved services to delivering real excellence.

The Council looks to place a greater emphasis on the management and use of performance information in order to drive continuous improvement and deliver Best Value. Effective use of performance information will allow us, as an organisation, to be more open and confident about how our services are performing and contributing to the delivery of the agreed Council and Community Planning Partnership outcome targets.

The aim of the PMF is to set out the arrangements by which it plans, delivers, reviews and improves what it intends to achieve, both as a Council and with its partners.

Its purpose is to deliver the best outcomes and services in relation to our priorities and statutory responsibilities within available resources, and to create an “early warning system” where this is not the case. To do this, we need to be intelligence focused and take action in response to actual performance and make outcomes better than they would be otherwise.

Performance should be managed at a council, corporate, service team/operational and individual level with each informing the other. To know when and what action to take, performance has to be measured, monitored and analysed. To know how to judge performance, criteria must be agreed (aims, objectives and targets). Applying this to the whole Council requires a systematic approach – our Performance Management Framework.

The Performance Framework consists of five inter-related elements by which the Council will move from Improvement to Excellence:

- Setting clear outcomes and priorities – what we need to do to achieve our vision and ambitions
- Self-evaluation – measuring how are we doing and what do we need to improve
- Service and improvement planning and management – setting out how are we going deliver and manage services and improvement
- Performance management, monitoring and reporting – monitoring how we are doing
- External assessment and accreditation – how others see us and gaining external validation.

Another way of expressing this is through the concept and language of Best Value:

- Are we doing the right things?
- Are we doing them right?
- How do we know how well we are doing?
- Could we do things differently and better?



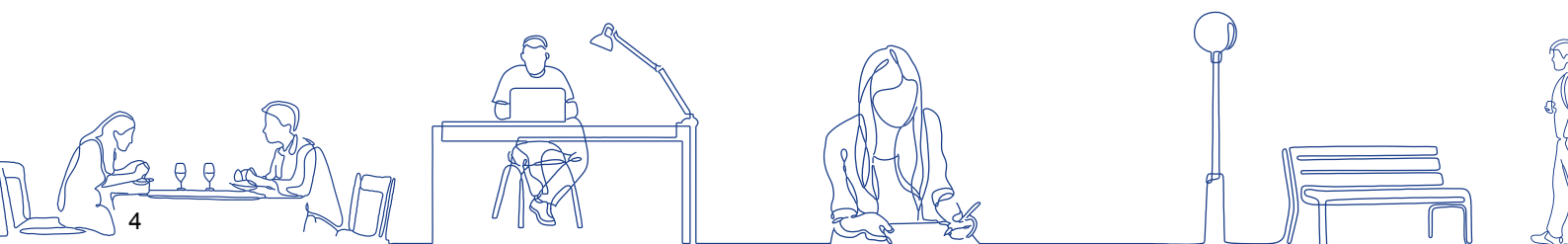
# Statutory and National Context

## Best Value

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.

The Best Value duties set out in the Act are:

- to make arrangements to secure continuous improvement in performance (while maintaining an appropriate balance between quality and cost); and, in making those arrangements and securing that balance, to have regard to economy, efficiency, effectiveness, the equal opportunities requirement and to contribute to the achievement of sustainable development
- to achieve break-even trading accounts, subject to mandatory disclosure
- to observe proper accounting practices
- to make arrangements for reporting to the public of the outcome of the performance of functions





# The Accounts Commission's Direction 2021 on Public Performance Reporting

The Accounts Commission have the statutory power to determine the performance information that must be published by local authorities in order to provide opportunities for scrutiny and benchmarking. [The Accounts Commission's Direction 2021 on Public Performance Reporting](#) defines how local authorities can demonstrate that they are achieving Best Value for the people they serve.

This Direction gives us 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.

Each council will report a range of information covered by the following two indicators:

## Part 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.

## Part 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.
- Undertake this 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.



# 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.



## Benchmarking

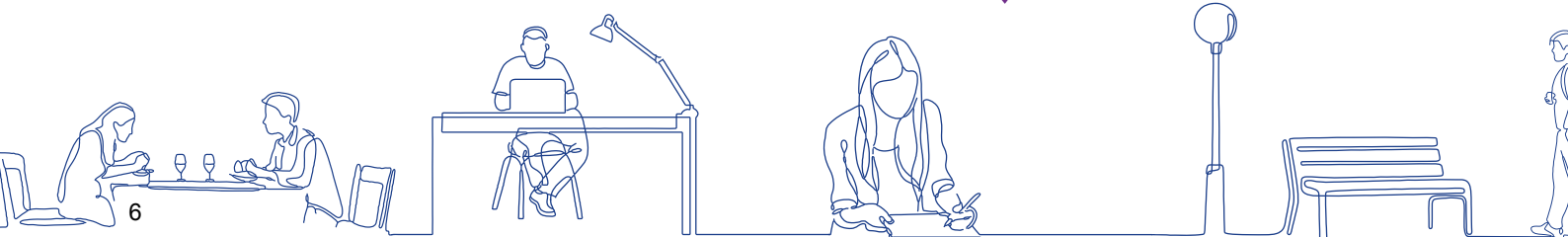
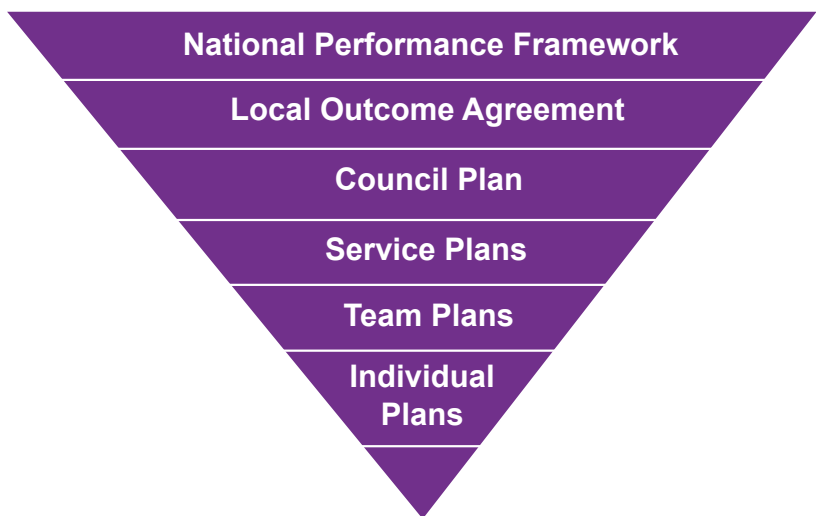


The Local Government Benchmarking Framework (LGBF) is administered by the Improvement Service in partnership with SOLACE and provides an opportunity to benchmark our performance with other local authorities in Scotland. By recording the same indicators as other local authorities across a wide range of themes we can identify opportunities to learn from each other.

Benchmarking allows us to compare our performance to others and as a result identify opportunities to improve. Benchmarking can be undertaken externally with other councils, organisations or sectors and internally across services. Benchmarking is not restricted to comparing performance indicators alone but can also be used more widely to compare approaches to similar issues and share best practice.

## Our Planning Framework

The Local Government Benchmarking Framework (LGBF) is administered by the Improvement Service in partnership with SOLACE and provides an opportunity to benchmark our performance with other local authorities in Scotland. By recording the same indicators as other local authorities across a wide range of themes we can identify opportunities to learn from each other.



# South Ayrshire Local Outcome Agreement (LOIP)

## Community Planning

The Community Empowerment (Scotland) Act 2015, states that community planning is about how public bodies work together, and with the local community, to plan for; resource and provide; or secure the provision of services which improve local outcomes in a local authority area, with a view to reducing inequalities. In other words, it is about **working together to make a real difference** to our local communities and people’s lives.

The **Community Planning Board** is the executive and decision-making body of [South Ayrshire Community Planning Partnership \(CPP\)](#) and is chaired by the Leader of the Council. It makes decisions on priorities, strategic outcomes, and objectives for the CPP. Membership comprises:

South Ayrshire Council	South Ayrshire Health and Social Care Partnership
NHS Ayrshire & Arran	Police Scotland
Scottish Fire and Rescue Service	Strathclyde Partnership for Transport
Scottish Enterprise	Skills Development Scotland
Ayrshire College	University of the West of Scotland
NatureScot	Jobcentre Plus
Ayrshire Chamber of Commerce	Voluntary Action South Ayrshire

The [plan on a page](#) provides an overview of the CPP high level outcomes.

Reducing inequalities and improving outcomes for people in South Ayrshire is a key focus of [South Ayrshire Community Planning Partnership \(CPP\)](#).

The Community Empowerment (Scotland) Act 2015 has given CPPs a statutory purpose regarding public service reform at a local level. The Act requires CPPs to produce a Local Outcomes Improvement Plan (LOIP) which sets out a vision and focus based on agreed local priorities where, through collaborative working with our community planning partners and local communities, we can work to reduce inequalities and improve outcomes in South Ayrshire.

South Ayrshire CPP has two strategic themes as an agreed area of focus for the LOIP – these are: **‘Supporting older people to live in good health’** and **‘Closing the poverty-related outcomes gap’**. Under the strategic themes there are five supporting improvement priorities:

- *reducing social isolation and loneliness;*
- *support for people living with dementia and their carers;*
- *improving outcomes for care experienced children and care leavers;*
- *providing support for young people who are carers; and*
- *employability and lifelong learning.*

**A new LOIP is currently under development and is expected to be approved in Spring 2024**





# Priority Two

## Live, Work, Learn



[south-ayrshire.gov.uk](http://south-ayrshire.gov.uk)

### Education and lifelong learning

Everyone benefits from high quality education and lifelong learning and is supported to learn and fulfil their potential.

### Work and economy

Everyone benefits from a local economy that provides opportunities for people and helps our businesses to flourish.

### Housing

Everyone can find a good quality home that they can afford, that meets their needs and is in an area where they feel safe and connected.

# Priority Three

## Civic and Community Pride



[south-ayrshire.gov.uk](http://south-ayrshire.gov.uk)

### Pride in South Ayrshire

Everyone (residents, visitors, and tourists) can enjoy attractive destinations and people are proud to live in our towns and villages and celebrate our culture and heritage.

### Community Engagement

Everyone has the opportunity to influence and contribute to what happens in their local area.





**The priorities provide a common framework aimed at promoting a shared understanding that encourages services and partners to work collaboratively to achieve improved outcomes and wellbeing for our communities.**



## Service Plans/Team Plans and Individual Plans

Service Plans/Team Plans and Individual Plans are managed by Service Leads and actions can be a mixture of those that directly help deliver of Council Plan outcomes and those undertaken to meet more service specific outcomes e.g. budget savings or addressing staffing pressures.

## Self-evaluation

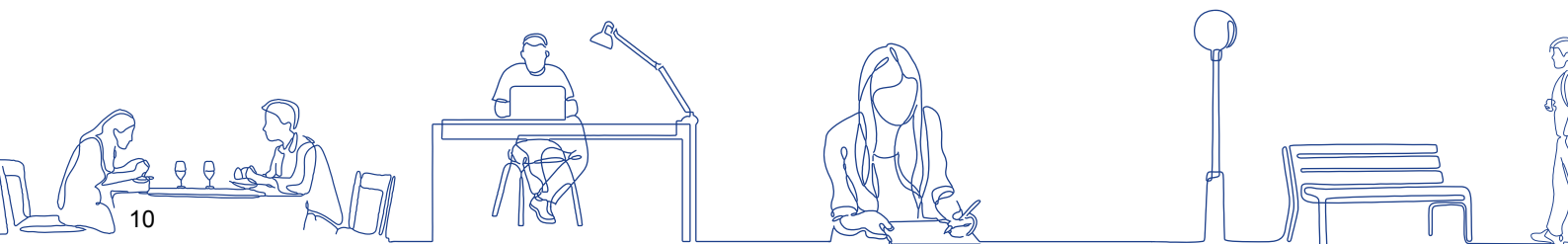
Self-evaluation is an important part of performance monitoring and leads to better planning within our services. It ensures a sustained focus on improving outcomes for all service users, particularly those who experience high levels of social and economic deprivation. Self-evaluation is underpinned by an “inward, outwards, forwards” approach. This helps us and our partners answer the questions at the heart of self-evaluation:

- How are we doing?
- How do we know?
- What are we going to do now?
- How do we get there?



Excellent service areas have robust internal approaches to self-evaluation and value the objectivity which scrutiny can bring.

Self-evaluation will take place through the annual service planning process.



## Roles and Responsibilities

Full **Council** as the main decision-making panel approves, reviews and amends the strategic priorities for the Council

The **Cabinet** has a strategic role focusing on policy development, policy, service review and strategic management of the Council's services, within the established strategic priorities and corporate policies of the Council.

The **Scrutiny Panels'** functions relate to the governance and scrutiny of decisions, performance and improvement activity. All recommendations arising from the scrutiny process are to be reported back to Leadership Panel or Council for decision.

The **Service and Partnership Performance Panel** reviews and scrutinises a range of performance reports from all services, the Health and Social Care Partnership and those delivered through the Council or in partnership with external bodies. It also scrutinises a number of reports on issues ranging from workforce development to service re-design.

The **Audit and Governance Panel** monitors and keeps under review performance and delivery against the Council's improvement Best Value priorities. This Panel also has the ability to consider 'call-ins' on the decisions taken by the Leadership Panel and refer its views back to them for further consideration.

The **Corporate Leadership Team (CLT)** will manage, challenge and report on performance relating to the achievement of strategic priorities and outcomes set out in the various plans and strategies. CLT will scrutinise and approve quarter 1 and 3 reports of the Council Plan.

**Assistant Directors and Head of Service** manage challenge and report performance relating to Service Plans, reporting to CLT on a regular basis. A rolling programme of Service Plan updates will be agreed.

All **Service Leads** have the same broad roles and responsibilities in relation to data capture, management, monitoring and reporting to improve performance:

- Monitor performance against targets set and take corrective action. Understand what is important to stakeholders
- Set challenging, realistic and relevant targets
- Measure outcomes
- Identify trends and comparisons with other providers
- Report performance in a timely manner
- Provide a management summary at the beginning of all performance reports
- Be responsive to performance data
- Ensure linkage through Council and service plans to individual team/staff goals and targets.

### Guidance on management summaries

A management summary should be at the beginning of every performance report, it is a summary for those who may not need to read the entire report. It will contain a brief statement regarding the nature of the report, background information to the document, concise statistics or factual evidence and principal conclusion.

The summary should be easy to read and understand without jargon. This is intended for a wide audience including senior managers, elected members, stakeholders and members of the public. For example, Services have made good progress delivering on Priority One of the Council Plan. Almost all actions are 75% or more complete.



# Monitoring and Reporting

The delivery of improvements set out in our plans will be reported and scrutinised, as detailed below, by senior managers and Elected Members. Our performance information will monitor our success against both local and national priorities, monitor trends over time, and performance against appropriate benchmarks and comparative data. In addition, a number of service areas have a statutory requirement to submit reports to Scottish Government or other regulatory body.

## Council Plan Reporting Arrangement

