



Report to Performance Review Scrutiny Committee

Subject: Covalent Performance Management System – Issues for members

Date: 6 July 2009

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1. Purpose of the Report

- To inform members of the issues considered by the sub-group regarding implementation of the Covalent Performance Management system
- To recommend to the Committee proposals relating to these issues which, if supported, may be recommended on to Cabinet

2. Background

The Council currently manages performance using an excel based system. The system is dated and does not allow for as effective monitoring of outcomes as it would like, nor for development of a “golden thread” linking high-level outcomes to practical activity.

To address these shortcomings, a budget development bid was submitted and agreed to introduce a new, dedicated performance management system. Funding was included in 2008/09 capital budgets.

The Council worked in partnership with Rushcliffe, Broxtowe and Newark & Sherwood District Councils to assess and procure a new system. As a result, the Covalent Performance Management system was acquired and is now in the process of being implemented.

Covalent is a proven proprietary performance management system, targeted at local authorities. The company has a wide range of clients across local government, with strong representation amongst district councils. The system is internet based and externally hosted, so will be available for read-only access to elected members. Access will be via a user name and password, with all

Councillors sharing the same log in. The system is not available to the general public.

The 2008 Comprehensive Performance Assessment of the Council suggested a number of areas for improvement relating to performance management. They included suggested improvements to performance reporting (making the information more visually accessible); clearer outcome based measures with SMART targets and realigning performance reporting to priorities to help the Council assess whether it is achieving what it has set out to do, all of which are issues which Covalent will address directly or contribute significantly to. Covalent also addressed a number of recommendations relating to Data Quality raised in separate Audit Commission annual reviews.

The new system has great potential to improve the information available to both scrutiny and executive members to help them manage the Council's performance. However, to make the most of the system, members recognised the need to look again at information presented to them to see whether both the format and presentation of this information could be improved.

A sub-group of the Committee was therefore established in September 2008 with a remit to explore the potential reporting options for performance information and to consider the level of detail included in these reporting options.

Its recommendations are set out below for the Committee's consideration.

3. Proposals

3.1 - Performance Digest – The quarterly Performance Digest is currently the main means through which performance information is presented to members. It is considered by Cabinet quarterly, then subject to scrutiny by this Committee. It includes both financial and performance information.

The introduction of an on-line system changes the dynamic significantly – members will have access to the system and will not have to wait until quarterly digests are published to access performance information.

However, the Digest remains a key tool to bring together and summarise key performance trends. ***The sub-group therefore believes that a quarterly performance digest should continue to be produced.***

The current digest is presented according to portfolio holder responsibilities. While this is helpful in holding executive members to account for performance in their areas of responsibility, it is less good at allowing assessment of progress towards council priorities. As noted above, this is a specific CPA recommendation.

Covalent offers the opportunity for performance information to be sorted in a variety of ways, including by priority, by portfolio and by lead officer responsibility.

The sub-group felt there remained a need for performance information to be presented by portfolio responsibility but also recognised the importance of presenting performance information by priority theme.

The Sub-Group therefore proposes that the performance elements of the digest should be produced in two formats in future – the first (and primary) document sorted by priority theme; the second by portfolio.

The first would be of particular relevance to Cabinet collectively, in considering progress towards Council priorities – the second would remain the main means through which the Scrutiny Committee would hold executive members to account.

If this proposal is supported, the two documents would be produced in pdf format, available as separate reports on the Covalent system. Consideration needs to be given as to whether both versions also include financial information, given that this is likely to remain sorted by portfolio for the foreseeable future. The advantages of a combined report, recognised in CPA as good practice, must not be lost.

One of the key benefits of Covalent is its accessibility and availability electronically. Its presentation depends heavily on use of colour to show Red – Amber – Green performance status. Its visual accessibility addresses another key CPA recommendation.

But this does not translate well into b/w printed documentation and is likely to present problems if the current method of producing the performance digest (as a b/w hard copy) continues. Moreover, the current cost of colour printing is prohibitively expensive.

The sub-group gave careful consideration to these issues. It recognised that not all members have access to appropriate IT at home, while others prefer not to use IT-based solutions. It nevertheless also acknowledged that the Council is generally looking to encourage greater use of IT amongst its customers, and that this is an issue on which members might wish to set an example.

Considering these issues, ***the sub-group proposes that the default position for future performance digests should be that they are produced in electronic format, and that these are published on the Covalent system and on the Council's website.*** Printed hard copies (in colour) will only be made available to members on request.

3.2 - Format for performance information presented to Cabinet and Committee - The difficulties with b/w reproduction of Covalent documentation also present potential problems with the production of quarterly Cabinet reports (which go on to form the quarterly digests).

It was suggested to the group that this might be addressed by replacing the current full reproduction of performance information on Cabinet and Scrutiny Committee agendas with a shorter, summary report, cross-referencing to the fuller performance information available for members' reference on the Covalent system. This could be supported at each quarterly Cabinet and Performance Review Scrutiny Committee meeting by a presentation (most likely to be delivered by the Head of Strategy and Performance) highlighting key performance information arising from the period in question, using the Covalent system to demonstrate particular issues. The group was supportive of this proposal.

3.3 - Training and Awareness for elected members – All members will be able to access the Covalent system at the Council and from their home computers once fully established (subject to certain technical/software issues). The access will be read only, but does allow members to fully interrogate the system (though not to enter or change any data on it). It is a web-based system, but is closed and only accessible to Gedling officers and members – further security is provided through password protection.

In order to secure the benefits this access offers, ***the sub-group proposed that a training and awareness session should be held for all elected members.*** This should be arranged for September, once the system is up and running and after the main summer holiday period.

4. Summary of Recommendations

The sub-group recommends that: -

- A quarterly performance digest should continue to be produced.
- Performance elements of the digest should be produced in two formats in future – the first (and primary) document sorted by priority theme; the second by portfolio
- The default position for future performance digests should be that they are produced in electronic format, and that these are published on the Covalent system and on the Council's website. Printed hard copies (in colour) will only be made available to members on request.
- Quarterly performance information to Cabinet and Scrutiny Committee should be presented as a summary report, cross-referencing to the fuller performance information available for members' reference on the Covalent system, and be supported at each quarterly Cabinet and Performance Review Scrutiny Committee meeting by a presentation highlighting key performance information arising from the period in question
- A Covalent training and awareness session should be held for all elected members