



Glasgow City Council

Operational Performance and Delivery
Scrutiny Committee

Report by Chief Executive
Executive Director of Financial Services

Item 2

9th February 2022

Contact: Louise MacKenzie

Overview of Performance Monitoring

Purpose of Report:

The report presents an overview of current performance monitoring as carried out by the Operational Performance and Delivery Scrutiny Committee. It provides members of the Committee with an opportunity to reflect and comment on current arrangements and to inform future developments.

Recommendations: Members are asked to:

- (a) Note the contents of the report and the ongoing work and areas for development, and
- (b) Engage with officers to provide feedback on their experiences and views on the future development of performance reporting and scrutiny, either through completion of a survey, meetings with officers, or provision of written feedback.

Ward No(s):

Citywide:

Local member(s) advised: Yes No consulted: Yes No

PLEASE NOTE THE FOLLOWING:

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1. Introduction and Background

- 1.1 The report presents an overview of current performance monitoring as carried out by the Operational Performance and Delivery Scrutiny Committee (OPDSC). It provides members of the Committee with an opportunity to reflect and comment on arrangements and to inform future developments.
- 1.2 The current remit and terms of reference for OPDSC were confirmed in the [Review of Decision Making Arrangements](#) approved at Council on 14 September 2017.
- 1.3 Policy support and advice to the Committee is shared by the Head of Corporate Policy and Governance and the Head of Internal Audit who both attend the Committee meetings.

2. Committee Terms of Reference and Membership

- 2.1 The full terms of reference for OPDSC are attached at **Appendix 1**. The Committee has responsibility for scrutiny of performance for both Council Services and ALEOs. Prior to May 2012, the External Governance Scrutiny Committee had responsibility for scrutiny of ALEO performance,
- 2.2 Membership of the Committee comprises 15 members of the Council. Both the Convenor and Vice Convenor of the Committee are appointed from opposition parties.

3. Performance Management Framework

- 3.1 Performance management is the process used to make sure that our resources are aligned to deliver our strategic priorities and includes service planning and performance reporting. An effective performance management cycle is based on four continually repeated stages: Plan, Do, Check and Act.
- 3.2 A Performance Management Framework (PMF) explains how performance is managed within an organisation. Typically it sets out key reports, reporting frequency and relevant governance structures. To be effective, a PMF must be reflective, and enable delivery, of strategic priorities and outcomes; be responsive to statutory and regulatory requirements, and meet the needs of a range of internal and external stakeholders.
- 3.3 A full review of the Council's PMF was undertaken in 2017/18. OPDSC considered a report on the [Corporate Performance Management Framework](#) in January 2018. This report gave an overview of improvements and changes that had been introduced to the PMF to ensure progress against the Council's commitments and programmes could be monitored. The resulting arrangements have been applied since, with Audit Scotland reporting positively on them.

- 3.4 The Head of Corporate Policy and Governance is leading a review of the current PMF which aims to:
- critically assess the existing PMF to identify scope for improvement, in both the measures and tools used to monitor, manage and report performance;
 - ensure that delivery of the Council's commitments and major programmes, as set out and prioritised in the Strategic Plan, can be measured, monitored and reported in a consistent and efficient way to enable effective decision making; resource allocation; continuous improvement, and public accountability;
 - take account of feedback from and the evolving needs of stakeholders, including the Corporate Management Team (CMT) and OPDSC, and
 - progress implementation of the recommendations made by Internal Audit in their corporate review of [Performance Management](#) arrangements, reported to the Finance and Audit Scrutiny Committee on 4 August 2021.
- 3.5 The Review will be carried out by a team of Council officers. It will start Spring 2022 and recommendations should be available and reported by summer 2022. Elected Members are a key stakeholder of the PMF review and feedback is welcomed on their experiences and views for the future development of performance reporting and scrutiny. Officers plan to issue a survey to Members and request their participation in this process. If agreeable, meetings can also be arranged with the Convener and Vice Convener. Members are also invited to submit any written feedback to officers.
- 3.6 The Head of Audit and Inspection will support the process. In particular, Internal Audit will work with officers to produce an Assurance Map of performance management activity to ensure clarity of roles and responsibilities across service management and Corporate "Second Line" functions. Audit will also provide in-flight ongoing assurance as the new Council Plan develops to offer an independent view and ensure the actions developed meet the objectives set out at 3.4 above.

4. ALEO Governance Framework

- 4.1 The scope of the PMF review will also include the ALEO Governance Framework i.e. the arrangements used by the Council to govern its relationship with the ALEOs to ensure that services delivered for/ on its behalf continue to be effective and provide value and to hold ALEOs to account for delivery of these services.
- 4.2 The provision, by the ALEOs, of financial and operational performance information is a key part of the ALEO Governance Framework and also forms part of the Council's overall PMF. Therefore, it is important that this element of performance is included in the PMF review.
- 4.3 On [27 January 2021](#), Committee noted plans to review the arrangements for ALEO performance reporting to:
- more closely align the performance information reported by ALEOs to the services specified by the Council for delivery. The opportunity for which had

been highlighted in the [2018 review of governance and accountability](#), undertaken by the former Chief Executive of the Improvement Service and by the Committee itself;

- ensure information submitted by ALEOs continues to be appropriate in terms of content, style, purpose and frequency, and
- develop a 'dashboard' style of reporting to be introduced for all ALEOs, to include:
 - financial and operational performance – identifying and including performance of services delivered by the ALEO for / on behalf of the Council;
 - risks and issues for escalation;
 - Council approvals required, and
 - key achievements in the reporting period.

4.4 At that time, it was noted that progress was linked to the ongoing Council Family Review (CFR) and, due to the impact of Covid-19, timescales for implementation were under review.

4.5 The CFR review of Glasgow Life is underway. The scope includes a review of the governance and performance reporting arrangements, which presents an opportunity to progress this work.

4.6 Further, the timing of the PMF review provides an opportunity to align the two pieces of work. As part of the CFR review of Glasgow Life, officers will continue to progress the plans at para. 4.3 and this will also be factored into the wider PMF review for application to other ALEOs. This timing, although later than anticipated, will allow the findings and learning from the PMF review to be incorporated into the ALEO performance arrangements e.g. the planned work on data and presentation of statistical information.

5. Council Strategic Plan

5.1 The [Council Strategic Plan 2017 to 2022](#) was approved by Council on 2 November 2017. There are 105 priorities grouped under 7 themes. The seven thematic Leads for the Council Strategic Plan are responsible for coordinating the delivery of the commitments and reporting performance to OPDSC. The thematic leads are:

- A Thriving Economy - Director of Economic Growth
- A Vibrant City - Chief Executive of Glasgow Life
- Excellent and Inclusive Education - Executive Director of Education
- A Healthier City - Chief Officer, Glasgow City Health and Social Care Partnership
- A Sustainable and Low Carbon City - Executive Director of Neighbourhoods and Sustainability
- Resilient and Empowered Neighbourhoods - Director of Community Empowerment and Equalities
- A Well Governed City that Listens and Responds - Executive Director of Financial Services

6. Reporting performance to OPDSC

- 6.1 The Committee receives workplan reports on at least an annual basis, these are supplemented as required to reflect any changes in circumstances. In particular the recent challenges presented by the COVID-19 pandemic have resulted in a modified approach focussed on response and recovery. A [Workplan Update](#) was provided in August 2022 that incorporated revised guidance for reporting and proposed to restart thematic updates alongside continued operational performance reporting.
- 6.2 The established practice for performance reporting is to structure this in line with Council Strategic Plan themes and align operational performance within that. Written reports are provided to the Committee presented by the theme lead identified at 5.1 above or a member of the Service senior management team. Guidance is provided corporately to ensure consistency in style and content of reports.

7. Reflections and Observations

- 7.1 The Council's Standing Orders require all committees to undertake an effectiveness evaluation each year, and an independent assessment in year three of the council. [The independent assessment of the Operational Performance and Delivery Scrutiny Committee \(OPDSC\)](#) and associated action plan was considered at OPDSC on 17 November 2021. The assessment was undertaken by the Executive Director of Finance and the Head of Service Development, Financial Services. It follows two previous assessments carried out by the Committee with officer support. The findings from the review were generally positive and areas for development will be progressed.
- 7.2 Full and detailed scrutiny at OPDSC has continued to contribute to the development of performance management arrangements. In particular, the structure and required detail of performance reports has been developed and improved in line with feedback from OPDSC members.
- 7.3 The Committee has a substantial remit which expanded significantly after May 2012 when the functions of the External Governance Committee were brought into its remit. This can be argued to be in line with the direction of travel of the Council Family Review, with the functions of some ALEOs coming back to the Council, However, agendas can be lengthy even though the Committee meet on a four-weekly cycle.
- 7.4 Members have periodically commented on inconsistencies and confusion arising from the presentation of and use of statistics and data in reports. This was also highlighted in the Independent Assessment described at 7.1. A paper recommending an approach to improving practice is being developed and will be presented at a future meeting,

- 7.5 A suite of outcome based indicators was developed in response to the review of the Council's performance management arrangements presented to the OPDSC in January 2018. The review recommended the development of an outcome orientated approach, linked to the 2017-2022 Strategic Plan, which would demonstrate impact and changes over time. This approach will continue to develop alongside the current Strategic Plan; and as a component part of the development of the next Strategic Plan. An update on this is available as part of today's agenda; which also outlines a proposed approach, to ensure that Outcome Indicators are better embedded within performance setting and reporting, and are themselves subject to review as appropriate; in line with Committee recommendations.
- 7.6 Further consideration should be given to the role the Committee has carried out in monitoring the Councils input to the Glasgow Community Plan. This will be specifically addressed as part of the PMF review outlined at Section 3 of this report.

8. Policy and Resource Implications

Resource Implications:

Financial: None arising from this report

Legal: None arising from this report

Personnel: None arising from this report

Procurement: None arising from this report

Council Strategic Plan: This report presents an overview of performance management arrangements including the Council Strategic Plan

Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25? Please specify. Equality will be an key consideration in the PMF review

What are the potential equality impacts as a result of this report?

Please highlight if the policy/proposal will

help address socio-economic disadvantage.

Climate Impacts:

Does the proposal support any Climate Plan actions? Please specify: Ensuring robust planning and reporting to tackle the climate emergency is a key priority

What are the potential climate impacts as a result of this proposal?

Will the proposal contribute to Glasgow's net zero carbon target?

Privacy and Data Protection Impacts: None as part of this report

9. Recommendations

9.1 Members are asked to:

- (a) Note the contents of the report and the ongoing work and areas for development, and
- (b) Engage with officers to provide feedback on their experiences and views on the future development of performance reporting and scrutiny, either through completion of a survey, meetings with officers, or provision of written feedback.

Appendix 1 - OPDSC Committee Terms of Reference

To scrutinise and monitor the operational performance of all Council Family Group Services (services and ALEOs) in relation to the Council's policy objectives and performance targets.

These functions will include:

- a) considering any performance reports and information which relate to issues falling within the remit of the Council's services, including complaint handling, customer care and ombudsman reports;
- b) monitoring the outcomes of the Glasgow Community Plan in relation to the Council's input;
- c) considering any operational issues which are relevant to any subject falling within the remit of this committee;
- d) monitoring employment, personnel and equalities issues as they relate to the operation of the Council corporately and to its individual services and ALEOs; considering any external audit (or equivalent) reports which relate to any issue falling within the remit of this committee;
- e) inviting the relevant City Convener to attend committee and where appropriate, to question and hold them to account on the operational performance of their service area; and
- f) referring back to the appropriate City Policy Committee for its consideration, any service performance issue which might have implications for City policy coming within the remit of the City Policy Committee.

To scrutinise the performance of the arm's-length external organisations (ALEOs) established by the Council. These functions will include:-

- a) contractual performance/compliance;
- b) statutory and other performance targets and outcomes set through the Glasgow Community Plan which are relevant to partnership working;
- c) internal and external audit reports;
- d) decision making structures and compliance with applicable codes of conduct;
- e) risk management;
- f) compliance with equalities obligations;
- g) complaint handling and customer care; and
- h) referring back to the appropriate ALEO Board for its consideration, any service performance issue coming within the remit of the ALEO, or under the contractual agreement which the Council has with that ALEO.