

Business and Property Committee

Item No.

Report title:	Performance management
Date of meeting:	05 March 2019
Responsible Chief Officer:	Simon George – Executive Director of Finance and Commercial Services, and Tom McCabe – Executive Director, Community and Environmental Services
Strategic impact Robust performance management is key to ensuring that the organisation works both efficiently and effectively to develop and deliver services that represent good value for money and which meet identified need.	

Executive summary

This management report to Committee is based upon the revised Performance Management System, which was implemented as of 1 April 2016. Additionally, this is the fourth report to provide data against the 2018/19 Vital Signs list derived from measures contained within the 'plans on a page' previously presented to and agreed by Committee.

There are currently three Vital Signs indicators under the remit of this Committee.

Performance is reported on an exception basis using a Report Card format, meaning that only those Vital Signs that are performing poorly or where performance is deteriorating are presented to Committee. To enable Members to have oversight of performance across all Vital Signs, all Report Cards (which is where more detailed information about performance is recorded) will be made available to view upon request.

Of the three Vital Signs indicators that fall within the remit of this Committee, one indicator has met the exception criteria:

- Number of apprenticeship starts

Recommendations:

Review and comment on the performance data, information and analysis presented in the body of the report and determine whether any recommended actions identified are appropriate or whether another course of action is required - refer to the list of possible actions at Appendix 1.

In support of this, Appendix 1 provides:

- A set of prompts for performance discussions.
- Suggested options for further actions where Committee requires additional information or work to be undertaken.

1. Introduction

- 1.1. This management report to Committee is based upon the revised Performance Management System, which was implemented as of 1 April 2016. Additionally, this is the fourth report to provide data against the 2018/19 Vital Signs list derived from measures contained within the 'plans on a page' previously presented to and agreed by Committee.
- 1.2. There are currently three Vital Signs indicators under the remit of this Committee:
 - Monitoring the job creation outputs of the projects and programmes that Norfolk County Council manages or Leads (Oct-Sep) and (Apr-Mar)
 - Delivery against New Anglia Local Enterprise Partnership (NALEP) and Hethel Engineering Centre (HEC) business start-up targets (Oct-Sep) and (Apr-Mar)
 - Number of apprenticeship starts
- 1.3. Work continues to see what other data may be available to report to Committee on a more frequent basis and these will in turn be considered for inclusion as Vital Signs indicators.
- 1.4. Of the three Vital Signs indicators that fall within the remit of this Committee, one indicator has met the exception criteria.

2. Performance dashboard

- 2.1. The performance dashboard provides a quick overview of Red/Amber/Green rated performance across all three Vital Signs. This then complements the exception reporting process and enables Committee members to check that key performance issues are not being missed.
- 2.2. The Vital Signs indicators are monitored during the year and are subject to review when processes are amended to improve performance, to ensure that the indicator correctly captures future performance. A list of all Vital Signs indicators currently under the remit of the Business and Property Committee is available at Appendix 2.
- 2.3. Vital Signs are reported to Committee on an exceptions basis. The exception reporting criteria are as follows:
 - Performance is off-target (Red RAG rating or variance of 5% or more)
 - Performance has two consecutive months/quarters/years of Amber RAG rating (Amber RAG rating within 5% worse than the target)
 - Performance is adversely affecting the County Council's ability to achieve its budget
 - Performance is adversely affecting one of the County Council's corporate risks.
- 2.4. Where cells have been greyed out on the performance dashboard, this indicates that data is not available due either to the frequency of reporting or the Vital Sign being under development. In this case, under development can mean that the Vital Sign has yet to be fully defined or that baseline data is being gathered.

Key to services on the performance dashboard:

- ED – Economic Development

2.5. The performance dashboard for the Business and Property Committee is as follows:

NOTES:

In most cases the RAG colours are set as: Green being equal to or better than the target; Amber being within 5% (not percentage points) worse than the target; Red being more than 5% worse than target. 'White' spaces denote that data will become available; 'grey' spaces denote that no data is currently expected, typically because the indicator is being finalised. The target value is that which relates to the latest measure period result in order to allow comparison against the RAG colours. A target may also exist for the current and/or future periods.

#	Monthly	Bigger or Smaller is better	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Target
305 a	{ED} Monitoring the job creation outputs of the projects and programmes that NCC manages or leads (Oct-Sep)	Bigger	1.0	1.0	1.0	4.0	4.0	4.0	22.0	22.0	47.0	69.0				26
305 b	{ED} Monitoring the job creation outputs of the projects and programmes that NCC manages or leads (Apr-Mar)	Bigger	598.0	645.0	712.4	842.9	39.0	85.5	112.0	142.5	170.5	203.0	273.2	306.2	344.2	
306 a	{ED} Delivery against NALEP and HEC business start-up targets (Oct-Sep)	Bigger	6	6	6	6	14	17	17	17	17	21				7
306 b	{ED} Delivery against NALEP and HEC business start-up targets (Apr-Mar)	Bigger	106	119	128	138	150	163	172	179	182	191	201			
#	Quarterly / Termly	Bigger or Smaller is better	Dec 15	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Sep 18	Dec 18	Target
349	{ED} Number of apprenticeship starts	Bigger				7,670	2,440	3,830	6,120	6,850	2,100	3,240	4,660	5,960		8,319

3. Report Cards

- 3.1. A Report Card has been produced for each Vital Sign. It provides a succinct overview of performance and outlines what actions are being taken to maintain or improve performance. The Report Card follows a standard format that is common to all committees.
- 3.2. Each Vital Sign has a lead officer, who is directly accountable for performance, and a data owner, who is responsible for collating and analysing the data on a monthly basis. The names and positions of these people are specified on the Report Cards.
- 3.3. Vital Signs are reported to Committee on an exceptions basis. The Report Cards for those Vital Signs that do not meet the exception criteria on this occasion, and so are not formally reported, are also collected and are available to view if requested.
- 3.4. Provided at Appendix 1 is a set of prompts for performance discussions that Members may wish to refer to as they review the Report Cards. There is also a list of suggested options for further actions where Committee requires additional information or work to be undertaken.
- 3.5. The Report Cards for the indicators that meet the exception criteria are shown below, which include contextual information for the indicator, along with information about current and historical performance:
 - Number of apprenticeship starts - Performance is off-target (Red RAG rating or variance of 5% or more) – for Q4 Sept 2018 Red 5,960 against a target of 8,319
Data has recently been received for the period Aug 18- Oct 18 which shows a fall in apprenticeship starts from 2,080 in 2017/18 to 2,030 in 2018/19; a decrease of 2%. However, nationally starts have increased by 15% in the same period. Part of the challenge in Norfolk is that there are not enough higher and degree level opportunities which need to be seen as progression from levels 2 and 3. Stimulating employer demand is dependent on being able to access training locally which is largely focussed on levy paying organisations of which there are not vast numbers in Norfolk.
NCC is working in partnership on a number of strategies to increase the number of starts with a particular focus on 19-24 and 25+ levels 2 and 3

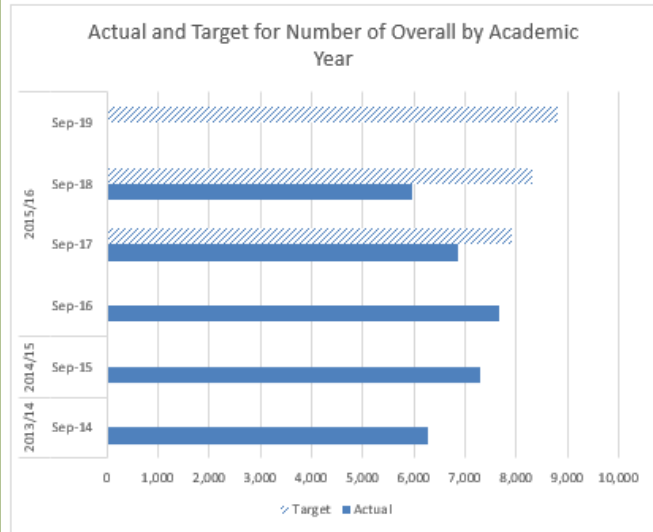
Vital sign: Number of Apprenticeship starts

Why is this important?

Better qualified staff are a key first rung on the ladder to our twin goals of higher value jobs and a reduction in the gap between Norfolk's and England's average earnings (weekly gross pay). In turn, better paid jobs enable more people to get onto the housing ladder and have a better quality of life more generally. The New Anglia Local Enterprise Partnership Strategic Economic Plan (SEP) highlights the need to increase the number, level, range and quality of Apprenticeship delivery and generate 5000 additional Apprenticeships across Norfolk and Suffolk by 2019.

Performance

What is the story behind current performance?



Apprenticeship Starts	2013/14	2014/15	2015/16	2016/17	2017/18 (Aug-July)	2018/19
	Actual	Actual	Actual	Actual	Actual	Target
All starts – all levels/ages	6,270	7,290	7,670	8,850	5,900	8,816

Data has recently been received for the period Aug 18- Oct 18 which shows a fall in apprenticeship starts from 2080 in 2017/18 to 2030 in 2018/19 a decrease of 2%. However nationally starts have increased by 15% in the same period.

In terms of the age breakdown starts for 16-18-year olds (760) have fallen by 13% compared to 2% nationally, 19-24-year olds (560) are down by 8% whilst nationally starts are up by 11%. Starts in Norfolk for 25+ (710) saw an increase of 24%, nationally starts were up by 43% for this age group.

Focusing on the levels, starts at Intermediate Level (Level 2) dropped by 6% (900), nationally the fall was 2%. Advanced (Level 3) saw a drop of 6% (800) against a national increase of 13% whilst higher level apprenticeships (level 4 and above) saw an increase of 26% (330), nationally figures had almost doubled at a 99% increase.

We are aware that it appears as if the figures don't add up to the total, however, this is the way that the Government releases the data. When adding up each area, they round up to the next 10 (e.g. 61 starts would be rounded up to 70).

What will success look like

Action required

Success will be measured by the overall achievement of annual target whilst maintaining quality, level and range.

Part of the challenge in Norfolk is that there are not enough higher and degree level opportunities which need to be seen as progression from levels 2 and 3. Stimulating employer demand is dependent on being able to access training locally which is largely focussed on levy paying organisations of which there are not vast numbers in Norfolk.

NCC is working in partnership on a number of strategies to increase the number of starts with a particular focus on 19-24 and 25+ levels 2 and 3, including

- Supply Chain Development
- Celebration event
- Health and Social Care Bid to support SME's

Responsible Officers | Lead: Jan Feeney

Data: Jan Feeney 8/2/19

Appendix 1 – Performance discussions and actions

Reflecting good performance management practice, there are some helpful prompts that can help scrutinise performance, and guide future actions. These are set out below.

Suggested prompts for performance improvement discussion

In reviewing the Vital Signs that have met the exception reporting criteria and so included in this report, there are a number of performance improvement questions that can be worked through to aid the performance discussion, as below:

1. Why are we not meeting our target?
2. What is the impact of not meeting our target?
3. What performance is predicted?
4. How can performance be improved?
5. When will performance be back on track?
6. What can we learn for the future?

In doing so, Committee Members are asked to consider the actions that have been identified by the Vital Sign lead officer.

Performance improvement – suggested actions

A standard list of suggested actions has been developed. This provides Members with options for next steps where reported performance levels require follow-up and additional work.

	Action	Description
1	Approve actions	Approve actions identified in the Report Card and set a date for reporting back to Committee.
2	Identify alternative or additional actions	Identify alternative/additional actions to those in the Report Card and set a date for reporting back to Committee.
3	Refer to Departmental Management Team	DMT to work through the performance issues identified at Committee meeting and develop an action plan for improvement and report back to Committee.
4	Refer to Committee task and finish group	Member-led task and finish group to work through the performance issues identified at Committee meeting and develop an action plan for improvement and report back to Committee.
5	Refer to County Leadership Team	Identify key actions for performance improvement and refer to CLT for action.
6	Refer to Policy and Resources Committee	Identify key actions for performance improvement that have 'whole Council' performance implications and refer them to the Policy and Resources Committee for action.

Appendix 2 – Business and Property Committee Vital Signs Indicators

A Vital Sign is a key indicator from one of the County Council’s services which provides Members, officers and the public with a clear measure to assure that the service is performing as it should and contributing to the County Council’s priorities. It is, therefore, focused on the results experienced by the community. It is important to choose enough Vital Signs to enable a good picture of performance to be deduced, but not so many that strategic discussions are distracted by detail.

There are currently three Vital Signs performance indicators that relate to the Business and Property Committee. The indicator in bold (on the Table below) is a Vital Signs indicator deemed to have corporate significance and therefore will also be reported to the Policy and Resources Committee.

Key to services:

- ED - Economic Development

Service	Vital Signs Indicator	What it measures	Why it is important	Data
ED	Job creation in Norfolk	Monitoring the job creation outputs of the projects and programmes that NCC manages or leads.	SEP has a target to deliver 73,000 more jobs by 2026. This measure looks at those jobs the EDS service has had a hand in bringing forward.	Partly monthly
ED	New Anglia Growth Hub delivery – business start up	Delivery of New Anglia Growth Hub’s business start-up targets.	All programmes should deliver outputs that benefit the Norfolk economy.	Partly monthly
ED	Apprenticeships Norfolk Network Success Measures	Number of Apprenticeship Starts.	The New Anglia Local Enterprise Partnership Strategic Economic Plan (SEP) highlights the need to increase the number, level, range and quality of Apprenticeship delivery and generate 5,000 additional Apprenticeships across Norfolk and Suffolk by 2019.	Quarterly (subject to data release)