Business and Property Committee

Report title:	Performance management
Date of meeting:	**9 October 2018**
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 second report to provide data against the new 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 second report to provide data against the new 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:

Norfolk County Council

Business and Property Committee - Vital Signs Dashboard

Monthly	Bigger or Smaller is better	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Target
{ED} Monitoring the job creation outputs of the projects and programmes that NCC manages or leads (Oct-Sep)	Bigger	168.0	168.0	0.0	0.0	1.0	1.0	1.0	4.0	4.0	4.0	22.0	22.0	
{ED} Monitoring the job creation outputs of the projects and programmes that NCC manages or leads (Apr-Mar)	Bigger	195.7	290.2	364.9	547.7	598.0	645.0	712.4	842.9	39.0	85.5	87.5	91.0	
{ED} Delivery against NALEP and HEC business start-up targets (Oct-Sep)	Bigger	10	12	1	6	6	6	6	6	14	17	17	17	
{ED} Delivery against NALEP and HEC business start-up targets (Apr-Mar)	Bigger	50	60	83	95	106	119	128	138	150	163	163	163	

| Quarterly / Termly	Bigger or Smaller is better	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Target
{ED} Number of apprenticeship starts	Bigger	7,290				7,670	2,440	3,830	6,120	6,580	2,100	3,240	4,660	6,738

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 the quarter covering June 2018 Red 4,660 against a target of 6,738)

- Changes in legislation nationally, including a switch from frameworks to standards and the implementation of the apprenticeships levy indicate the ongoing high profile of apprenticeships as a tool for changing the way we work and learn. Currently, the scale of these changes has resulted in a reduction in the take-up of apprenticeships both nationally and locally - the number of starts in Norfolk has reduced by 24% during the period August 2017 to April 2018, compared with a fall of 33% nationally. In Norfolk, we have developed a number of approaches in collaboration across all stakeholder groups to ensure that the changes to national policy are implemented successfully, addressing the recent decline in the number of starts, as reported to Business and Property Committee 04/09/2018.

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.
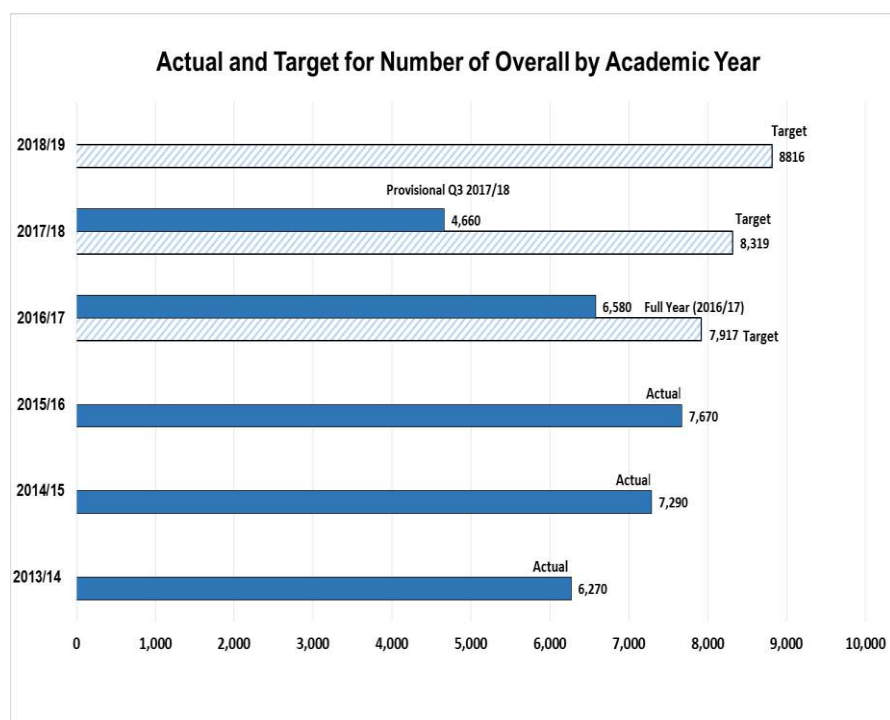
Performance	What is the story behind current performance?

Actual and Target for Number of Overall by Academic Year

Apprenticeship Starts	2013/14	2014/15	2015/16	2016/17	2017/18 (Aug-April)	2018/19
	Actual	Actual	Actual	Actual	Actual	Target
All starts – all levels/ages	6,270	7,290	7,670	6,580	4,660	8,816

During the 2016/17 year, Norfolk had 6,580 new Apprenticeship starts, against a target of 7,917. Nationally the number of starts fell due to the reforms and the introduction of the levy but the drop in Norfolk was greater. This was due to NHS (Norfolk's biggest Apprenticeships Employer) holding back starting apprentices until after the levy had started.

Recently published data for the period August 2017-April 2018 shows 4,660 Apprenticeship starts in Norfolk, compared to 6,120 at this stage last year, a decline of 24%, compared to a national decrease of 33%. However, we are unlikely to reach our target of 8,816 for the year.

A breakdown of figures show that Higher Apprenticeships have risen across all age groups compared to this time last year. However, there has been a decline starts in intermediate and advanced level apprenticeships.

What will success look like	Action required
Success will be measured by the overall achievement of annual target whilst maintaining quality, level and range.	The two apprenticeship advisers who are now funded through the NEACO project will be supporting young people in schools and colleges to aspire to and access higher education through an apprenticeship route. We will continue to work with colleges and training providers through the Apprenticeship Norfolk Network to develop strategies to increase the number of starts and to support the whole system.

Responsible Officers	Lead: Jan Feeney	Data: Kieren Buxton – 20/08/2018

4. Recommendations

4.1. Committee Members are asked to:

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 the committee requires additional information or work to be undertaken.

5. Financial implications

5.1. There are no significant financial implications arising from the performance management report.

6. Issues, risks and innovation

6.1. There are no significant issues, risks and innovations arising from the performance management report.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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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:
- PE – Planning and Economy

Service	Vital Signs Indicator	What it measures	Why it is important	Data
PE	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
PE	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
PE	**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)**