

## **APPENDIX D**

### **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** CMT **DATE:** 22<sup>nd</sup> June 2011

**CONTACT OFFICER:** Russell Bournier (Performance Manager) 01753 875217  
**(For all enquiries)**

**WARD(S):** All

**PORTFOLIO:** All

#### **PERFORMANCE AND PROJECT REPORTING FOR 2011/12**

##### **Review and development of the Council Wide Balanced Scorecard**

###### **Purpose of report**

The Corporate Balanced Scorecard was introduced in September 2008 and is proving unwieldy to manage and maintain, and unhelpful to managers. National changes to data requirements and availability and the need to address current local priorities mean that the current content and format requires review, and a new approach is suggested in this report.

###### **What is the Balanced Scorecard?**

The Balanced Scorecard is a strategic performance management tool – a structured report that can be used by managers to keep track of the execution of activities by staff within their control and to monitor the consequences of these activities. An effective Scorecard should cover both financial and non-financial measures, to provide a rounded view of the council's performance. All measures should be compared to pre-determined target values, within a single concise report. A key component is the appropriate escalation of the information that is most relevant to those reading it.

An effective format should enable appropriate escalation of issues of concern upwards along the management hierarchy, whilst maintaining appropriately delegated responsibilities for performance improvement. Given the complexity of the nature of the council's business activities, our Balanced Scorecard must provide a simple enough distillation of pertinent coverage whilst still enabling a direct tracking of performance concerns back to their source origin. As a whole entity, the approach must still be comprehensive enough to cover all the key performance measures and indicators under which the council is assessed and held to account.

The current version of the SBC Balanced Scorecard is presented in two parts:

- (a) Part One reviews the performance of the health of the organisation and
- (b) Part Two reviews the LAA performance indicators and targets.

Each part contains an exceptions report that identifies indicators of particular underperforming concern, and summarises the mitigating action(s) being taken to

improve performance. Highlights of significant improvement are also provided. The report focuses heavily on classic performance indicators, with limited reference to staffing, financial and other health measures, runs to approximately 33 pages, and is used to report quarterly to both CMT and Members. The national Government has ended the 'National Indicators' framework and many of the performance measures we have used up until now will no longer be available – particularly where data collection or processing is conducted outside the council.

**Consultation point:** As reviewers of the Balanced Scorecard, CMT's views are sought on what aspects of the current system work well / poorly, which need to be retained, and which need to be improved.

Particularly, your views on adopting the suggested format are sought, as well as stipulated lists of measures which you wish to see included at CMT levels. If accepted as the way forward, Directorate level scorecard content will be investigated individually, and the new scorecard adopted with immediate effect.

### Recommendations / Proposed Actions

1. The Balanced Scorecard should entail a simple to read short summary report of no more than 2-3 pages. This should be sufficiently simple to enable a quick review of **key measures**, and rapid assessment of the key performance matters.
2. The summary cover report should be supported by clear yet informative exception reports (perhaps as appendices), enabling a more in-depth understanding of the reasons for concern and an appropriate challenge of the proposed set of corrective actions.
3. The summary cover report should cover a range of top-level indications of the financial, staffing, partnership, citizen perspective, and classic "performance outcomes" health of the organisation.
4. The format chosen for implementation should ideally be the same for Service Areas, Directorates and the whole council. This would enable shared understanding of the principles and themes and permit a true 'golden thread' to run from top to bottom of the organisation. It would also enable corrective actions to be appropriately and effectively assigned
5. The approach should support and promote the SBC Service Planning mechanism and processes, and include reference to progress on Service Plan actions and reporting. Service Planning should be reinvigorated.
6. The escalation of concerns from Service Area level to SMT, and from SMT to CMT, should be determined by deviation from **pre-agreed** thresholds. Thresholds for concern should be pre-determined for **each** measure included within the set. To enable sufficient time to address concerns, the cycle should enable Service Area addressing of concerns for a maximum of one period before escalation to SMT; SMT should then be able to address concerns for a maximum of one further period before escalating to CMT. These "periods" must be decided in advance, but should be no more than one quarter (i.e. 3 months). In many cases, immediate escalation may be preferable.

7. The precise content – in terms of the defined metrics or measures – will need to be clarified in consultation.
8. The timing of reporting must be clearly arrived at; where necessary, meetings where the Balanced Scorecard will be considered will be convened at an appropriate frequency to enable sensible progress updates to be available. Data availability should direct discussion time.

**Figure 1: Suggested Linkages of Score Cards**



Scorecards should assemble upwards to enable comprehensive coverage of responsibility areas at more senior management levels, whilst still permitting backwards tracking to determine the point(s) of origin of any concerns.

Pages 4-6 details a proposed CMT level Scorecard for 2011-12. The Scorecard comprises sections which detail:

- Key Finance Measures
- Key People Measures
- Key Volume Measures
- Key Quality Measures
- Key external inspection results
- and finally: Key Outcome Measures.

## Performance scorecard: Council-wide June 2011

Community Cohesion	Health and Wellbeing	Community Safety	Environment	Economy and Skills
Celebrating diversity, enabling inclusion	Adding years to life and life to years	Being safe, feeling safe	A cleaner, greener place to live, work and play	Prosperity for all

This report provides an aggregated view of balanced performance across the whole of Slough Borough Council. Similar reports will be available for each Directorate and then for the discrete areas headed by separate Assistant Directors. In this manner, a holistic view will be supported by the ability to 'Drill down' into areas of concern and target remedial activities in the most appropriate and efficient manner.

### Key Finance Measures (How much did we spend?)

### Key points:

- Key Finance Measures would be reported in this table, prefaced with statements to highlight particular issues.

[illegible]

## Key People Measures (Who did it?)

### Key points:

- Most HR statistics are prepared on a quarterly basis so are not yet available at this stage. We intend to move to a monthly report format wherever this would provide net benefit for the business.
- Recent restructuring is still impacting on the ability to accurately report against expected appraisal completion. Work is under way to record all changes to staffing to enable this measure to be determined.

[illegible]



[illegible]

**Key external inspection results:**

Inspectorate	Section covered	Date	Results
Ofsted	Chalvey Children's Centre	May 2011	Overall effectiveness: Good. Capacity for improvement: Good.
Ofsted	Children's safeguarding & LAC services	April 2011	Safeguarding: Inadequate LAC services: Adequate
HMI Probation	Youth Offending Team ('YOT')	Feb 2011	Safeguarding: 62% <u>Moderate</u> improvement required. Risk of harm: 54% <u>Substantial</u> improvement required. Likelihood of reoffending: 61% <u>Moderate</u> improvement required.
Ofsted	Lifelong Learning	Nov 2010	Overall effectiveness: Good. Capacity to improve: Good.
Audit Commission	Benefits service	Nov 2009	'Poor' service with 'Promising' prospects: Zero star

### Key Outcome Measures (Is anyone better off as a result?)

- The overall outcomes that we seek to achieve for those who live in, work in, learn in or visit Slough are stated in the Sustainable Community Strategy and summarised as the five Priority Outcomes that headline this report. Most of the truly significant outcome measures are available perhaps once a year, but some could be reported on more regularly. All agreed 'outcome' measures will be reported here as the latest positions become available. The Government is currently reviewing the continuing availability of many indicator measures that previously formed the basis of our LAA, and several of these are no longer collected or processed. This section would need to be shaped and informed by the revision of the Sustainable Community Strategy, and would reflect the end results we desire for our total population (or for specified sub-groups thereof).

[illegible]

[illegible]