



Halton Strategic Partnership Board

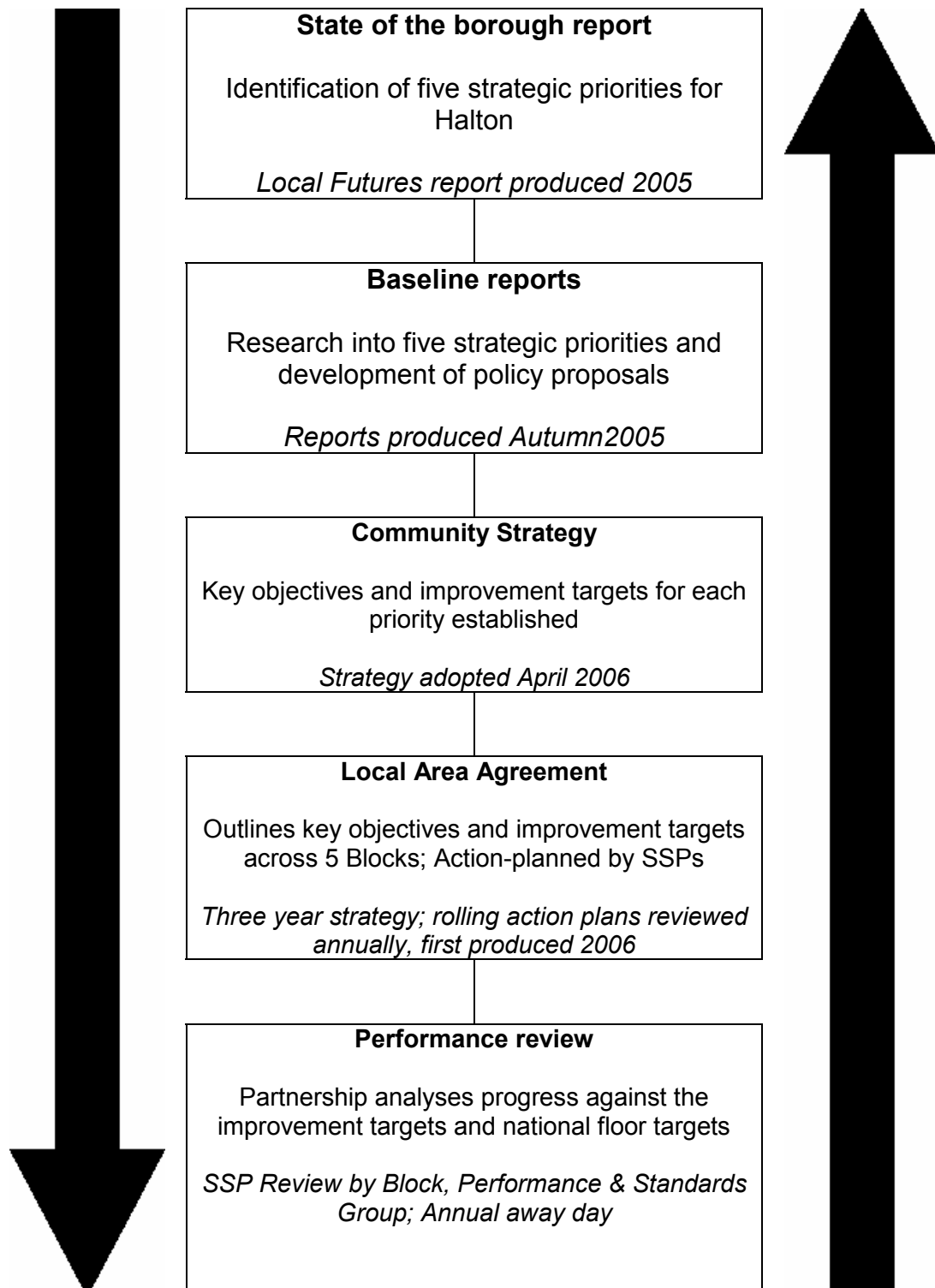
LAA Performance management framework (Draft)

August 2006

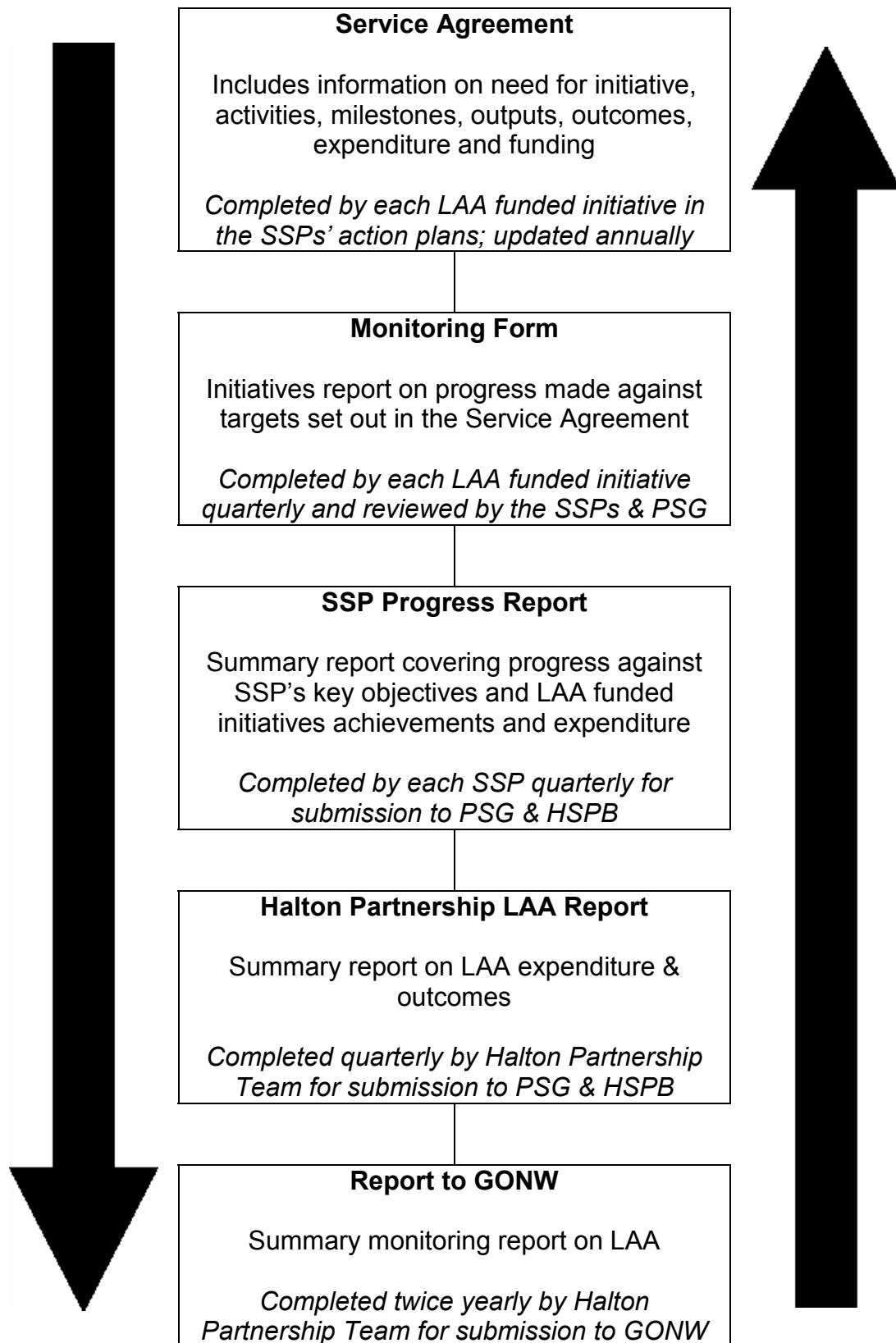
Section 1: reviewing delivery

The Halton Strategic Partnership Board (HSPB) has a structured strategic planning and performance management framework in place, with strong linkages between the two processes. This has been revised and extended to encompass the needs of Local Area agreements (LAA).

The following diagram illustrates the Partnership's strategic planning process.



The following diagram illustrates the Partnership's performance management process for Halton's LAA Funding.



Section 2. Annual Performance Review

The annual performance review is used to monitor progress against the Community Strategy's improvement targets and national floor targets. It provides an opportunity for a rounded assessment of progress across all aspects of Partnership activity. Partners are provided with a review of progress against the Community Strategy improvement targets and the national floor targets. This forms a central element published Annual Report of the Halton Strategic Partnership.

Each target is placed in one of the following categories:

- achievement likely (green)
- achievement difficult (amber)
- achievement unlikely (red)

A presentation is given to partners analysing the targets categorised as red and amber in more detail. Partners identify gaps in current service provision that need to be addressed to improve performance against these targets. Action points are drawn up following the discussion and agreed by the Halton Strategic Partnership Board at their next meeting. All the agreed action points are SMART and have clear lead individuals/agencies. Progress is reported to the Halton Strategic Partnership Board throughout the year.

The annual review of the SSPs strategies and action plans is used to challenge the plausibility of the actions aiming to deliver the targets. As part of the process for allocating LAA resources, clear links are established between the grant funded initiatives, the LAA outcomes framework and SSP Action Plan, and the Community Strategy improvement targets and key objectives. The criteria for LAA funded initiatives (attached) states that to receive grant initiatives should be based on evidence of what works and existing good practice in circumstances relevant to Halton.

When reviewing their strategies and action plans, the SSPs are required to use information from the performance review and from the monitoring of LAA funded initiatives to revise their plans to ensure they remain focused on what works in the achievement of the LAA and Community Strategy improvement targets and national floor targets.

The performance review and the SSPs updated strategies and action plans inform the updating of the LAA and the regular refresh of the Community strategy itself.

The information collected from each initiative through the monitoring process also includes the following in addition to the information outlined in the above diagram:

- progress towards sustainability, including mainstreaming where appropriate
- partnership working and development
- community engagement activities

The financial monitoring collects information on the use of LAA resource and on investment from other sources, including:

- cash match funding
- in-kind match funding
- leverage/complementary funding

Section 3. Performance management arrangements

The LAA sets out clear targets for outcomes in the five thematic block areas and on key cross-cutting transformational issues. The Halton Strategic Partnership Board (HSPB) has delegated responsibility for developing and monitoring delivery of the annual LAA Action plan to the Performance and Standards Group (PSG). The PSG will review delivery of the LAA targets and operational plan actions on a six-monthly basis, with lighter-touch intermediate quarterly reviews of financial performance. The HSPB and PSG are supported by a dedicated performance management capacity from the Halton Strategic Partnership Team. The existing performance management framework of the Partnership has been updated and revised to take account of the needs of LAA management.

The performance management framework is comprehensive, strategic and operational. It will test the vision and approach of the LAA, including its preventative, sustainable and targeted aspects, and the priorities. This will include taking account of existing and emerging borough wide, regional and national frameworks and initiatives that provide useful information and intelligence about the performance of Halton. It is designed to plan, monitor and review in a timely manner and will include targeted and LAA-wide evaluations. During the first year of LAA we will develop an annual trajectory for each of the three years of the Agreement, building on the trajectory analysis produced for the LSP review in 2006.

The thematic partnerships – the SSPs - will be responsible for the delivery of the relevant “block” outcomes of the LAA. SSPs will review their arrangements to ensure these are “fit for purpose” to ensure delivery of the LAA. Responsibility for individual targets in the LAA will be clearly designated in an action plan, with particular lead partners and named lead officers. Each partner’s normal accountability and corporate governance procedures apply to the initiatives they take responsibility for.

The role of the PSG is to:

- Prepare an annual LAA action plan for Board approval
- Review, and where necessary challenge, the annual action plans prepared by thematic partnerships (SSPs) and recommend their approval to the BSP Board
- Monitor performance against LAA targets twice a year and monitor financial performance quarterly
- Ensure effective arrangements are in place to collect and analyse information to support the development, monitoring and delivery of the LAA

- Undertake performance management action as outlined below

The Halton Partnership team supports the PSG. It is advising on the development and maintenance of information systems and analysis to support the LAA and its implementation. The Team will help join-up the performance management arrangements across all partnerships and help to ensure that action is effectively coordinated

The Role of SSPs – is to take responsibility for the overall delivery of the relevant block outcomes. They are primarily accountable for delivery against the LAA, including:

- Prepare an annual action plan for the block for submission to the PSG
- Monitor performance against LAA targets twice a year and monitor financial performance quarterly
- Undertake performance management action as outlined below.

SSPs must ensure their management arrangements are adequate for managing delivery of the relevant LAA outcomes. They will agree how responsibility for individual targets in the LAA is allocated to a lead partner and named lead officer. All agencies contributing to the delivery of a target will be expected, as part of their normal accountability and governance arrangements, to ensure:

- Appropriate delivery plans are in place
- Robust data on performance against target is collected and reported in accordance with overall arrangements for monitoring the LAA
- Under-performance against agreed targets and outcomes can be promptly addressed.

All action plans will include appropriate tracking of performance at six-monthly or more frequent interval (except where outcome data is only available annually – for example, for school examination results). A "monitoring level" will also be set for targets: this will be the level that triggers performance management action. The PSG will agree all targets and "monitoring levels" through its oversight of annual action plans.

Ladder of intervention

Tackling under-performance will be the greatest challenge for the performance management regime in the wider LAA context. The LAA has established a three-stage management process. This ladder of intervention will be reviewed over time. However, from the outset we intend to put in place systems which provide clear monitoring and reporting and make available a mutually accountable and supportive approach to enable partners to improve performance. This reporting should result in a clear picture of performance against the LAA in our annual report and then provides the basis for future planning as LAA implementation rolls forward.

For specific funding streams, performance management action could be triggered when performance against a particular target fails to achieve the agreed "monitoring level".

- Stage 1 If a six monthly monitoring report shows that performance against the action plan or a particular target has failed to achieve the agreed "monitoring level", the lead partner will be expected to take appropriate action, working as appropriate with other agencies. It will be asked to report on progress to the relevant SSP within three months.
- Stage 2. If a six monthly monitoring report shows that performance against the action plan or target has failed to achieve the agreed monitoring level for two consecutive six monthly periods, the SSP will be expected to agree with the relevant agencies a plan to tackle the under-performance. It will be asked to report on progress to the PSG within three months.
- Stage 3. If performance continues to fall below expected levels despite action by the SSP, the PSG will nominate one of its members to agree a revised plan to tackle under-performance, details of which will be reported to the PSG within three months.

The PSG will retain the right, in consultation with the relevant SSP, to trigger performance management action at either Stage 1, 2 or 3 in other circumstances where there is evidence of under-performance against target. The PSG will report every six months to the Board on all performance management actions, and especially those at Stages 2 and 3. These arrangements will be implemented and tested during the first year of the LAA 2006/7.

The annual planning cycle is designed to fit with the established budgetary and project management cycles of partners in Halton. In summary, the planning cycle for the LAA is as follows:

Timing	Activity	Outputs
July- Sept	Annual review of progress against LAA outcome targets and delivery of previous year's action plan	Report to HSP Board Annual report. Financial report.
Aug – Oct	Draft action plans submitted by SSPs (covering proposed activities, outcomes and funding arrangements). PSG to challenge prioritization and plausibility.	Feedback to SSPs. Report to HSP Board on draft plans, including recommendations for changes. Financial report.

Nov	Mid-year (Apr-Sept) update on spending and activities (against action plan) from SSPs.	Exception / summary report to HSP Board. Performance report. GONW Monitoring Meeting
Dec	Finalised action plans submitted by SSPs. PSG challenge as appropriate.	Final proposed operational plan to HSP Board. Financial report.
Feb/March	Quarter 3 (Oct-Dec) update on spending and activities (against action plan) from SSPs	Exception / summary report to HSP Board. Financial report.
May	End of year update on spending and activities (against action plan) from SSPs	Exception / summary report to HSP Board. Performance report.

Our ladder of intervention is framed to be able to inform the annual planning cycle in a timely and appropriate way.

Section 4: reviewing partnership working

The Core requirements have been introduced to ensure that LSPs do not just measure progress on delivery of targets, but also to ensure that what they are doing is right in the light of local circumstances. All actions need to be Specific, Measurable, Achievable, Resourced and Realistic, have a Time Limit and have clear lead individuals/agencies and progress reporting scheduled. The core requirements of LSP performance management arrangements are:

Reviewing outcomes - Monitor the implementation of the LAA (and Community Strategy) - measuring progress against relevant floor and local targets set out in the outcomes framework, and challenge the plausibility of actions to deliver. This is reviewed on an annual basis by the Board and twice a year by the PSG.

Reviewing partnership working - Assess the effectiveness of the partnership - ensuring that the LSP is strategic, inclusive, action-focused, performance managed, and addresses skills & learning. This is reviewed annually as part of the LSP Improvement Plan and refreshed as a minimum every three years.

Improvement planning - Strengthen delivery arrangements. Devise action/improvement plans to address weaknesses. This is reviewed quarterly and refreshed annually following the GONW review.

The Halton Strategic Partnership Board's recently reviewed all aspects of its partnership working. Amended governance arrangements came into place in May 2006, which included strengthened performance managements and scrutiny arrangements through a dedicated Performance and Standards Group (PSG).

The PSG reports every six months on progress in implementing the SSP/LAA Action plans, highlighting issues for concern. The annual performance review

away day is used to report on progress against the actions and for partners to raise any issues of concern and identify weaknesses that need action taking to address them.

Conclusion

The performance management framework is crucial to the delivery of both the LAA Outcomes Framework and Community strategy targets. It is also a way of each tier of the Partnership holding to account the next tier for delivery of their tasks and targets. However, this needs to be in a structured format that follows the same principles down through the tiers, and horizontally across the partnership groups at each tier. This performance management framework sets out how the Partnership will:

- agree improvement plans to build on strengths and overcome weaknesses;
- ensure that any proposed actions to meet targets are robust;
- monitor progress against defined targets; and
- review the effectiveness of the Partnership and its impact on services.

It focuses in particular on the relationship between the main Partnership, the Performance and Standards Group (PSG) and the thematic partnerships, and clarifies the roles that each undertakes. The performance management framework includes scrutiny arrangements to provide opportunities to look at and challenge annual performance and to promote accountability and transparency in monitoring the delivery of the Community Strategy and LAA.