



Briefing 15/30 June 2015

# Performance Duties in Northern Ireland – the ‘what’, ‘where’, ‘who’, ‘why’, and ‘when’ of continuous improvement.

To: contacts in Northern Ireland.

For information: contacts in England, Scotland and Wales.

## Key issues

All NI councils have a duty of performance improvement

Both a formal corporate framework as well as an understanding that performance is the responsibility of everyone is necessary

The Performance Networks model is an ideal approach to meet NI's new duty

## 1. Introduction

Part 12 of the Local Government Act (Northern Ireland) 2014 introduces a general duty of improvement on the new councils in Northern Ireland - "A council must make arrangements to secure continuous improvement in the exercise of its functions"

## 2. What

The new duty may appear an obvious duty for a council to perform – so why include it in the Act?

If a manager, officer or councillor is not managing the performance of something (such as a piece of plant, customer expectations, a member of staff, a procedure or some other element of a service) it is justifiable to ask exactly what they are doing with their time!

Performance management is the process we all go through when doing our jobs – it is not the role of a single performance or quality manager but a responsibility on us all to ensure continuous improvement. It occurs informally in all organisations with some doing it better than others.

However there is a need to formalise it in order to make it visible and to make the organisation accountable. There is a danger that it becomes an industry in itself but there is no need why it should become so.

Each performance framework will be different depending on the circumstances and priorities of the organisation but should contain a number of elements – identifiable measures; a service review plan; data collection and reporting cycles; links to the budget and service planning cycle; a process for making performance information publicly available; a role for audit; and benchmarking activities.

## 3. Where

Performance improvement had been an intrinsic part of some of the previous councils operations. The establishment of the 11 new councils provides an ideal environment to introduce a formal approach to performance improvement and benchmarking.

The size of the new councils means they now have the scale to address the topic in a more coherent fashion whilst the new context enables councils to take a fresh look at the issue of performance. The new arrangements provide an ideal setting to introduce an effective performance framework and establish a culture which accepts engagement and improvement as a duty of all officers and elected members.

#### **4. Who**

There are clearly responsibilities for a number of groups of officers and councillors within councils. Senior management teams are responsible for the corporate performance of the organisation and so will be concerned with ensuring that a performance framework is in place, that officers and members are engaged in that framework, that a culture of promoting good performance exists across the organisation and that service users and tax payers are getting value for money.

Directors will also be concerned with the levels of performance within the services for which they are responsible for whilst service managers and others with management responsibility will be more concerned with the operational performance, productivity, cost and quality at a service level.

Those with corporate responsibilities over functions such as human resources, organisational development, training, finance, communications and health and safety will be concerned with the council-wide perspective, identifying trends and making sure corporate messages are passed on to the services.

Those involved with community planning will have a wider perspective on performance related to both the council as well as partner organisations looking to track performance on common goals in their locality.

Councillors within the new councils now have a more strategic role due to the larger scale of the new organisations. Getting the right balance between looking to scrutinise performance from a strategic perspective whilst representing local people and so getting involved in operational matters, is a difficult job and one which councillors may take a little while to adjust to. However, making sure the council performs as it should is a role councillors must take on board.

The internal audit function is one which should flag up concerns prior to them getting out of hand or before external auditors identify them. It is an important element in a performance framework and should be informed enough about service issues to enhance the process of performance management rather than add a solely bureaucratic hurdle.

The Bill notes that local government auditors must carry out an audit to determine whether a council has discharged its duty in terms of improvement planning and the publication of improvement information on an annual basis. This process has the potential to develop into one wherein the auditors provide no added value to the process other than to point out the obvious i.e. what has and has not been completed. This relationship between the local government auditors and local authorities should ideally develop into one which is mutually beneficial, where external auditors are adding value as part of their audits, pointing to solutions and good practice examples in order to address concerns and promoting the good practice which exists in each council.

#### **5. Why**

Performance improvement does what it says on the tin. It might mean improvements in productivity or customer experience, better resource and funding use, developments in outcomes for local priorities, improved quality or aims being achieved. These are all obvious aspects of what local authority officers and elected members are trying to do in their day jobs – provide the best services we can with the most appropriate use of resources.

The austerity agenda will continue at least through the duration of the new government and is likely to impact on Northern Ireland much more severely than it has to date. Putting arrangements in place that will lead to performance improvement will meet both legislative requirements and is a pragmatic response to the funding limits which will undoubtedly emerge.

## **6. When**

The new councils need to address their new duties immediately so they are well placed for the start of the next financial year. Some are more advanced than others but the potential benefits that can be gained from tackling this issue will only be gained by the sector working in unison. The Department has its own part to play and targets to meet but it is not the organisation to lead the councils to improved performance – that is local government's job.

Performance improvement occurs at differing speeds but the full process of changes taking place (including an element of organisational review, data collection and analysis, engagement with officers, councillors and service users, decision making and informing the public) will take at least 12 months to achieve and longer to fully embed in the culture of the organisation.

In terms of performance reporting, this will take place on a weekly, monthly, quarterly or annual basis depending upon the service or project under review. However, the frequency of such reporting should be established within the framework.

Benchmarking is a vital element of performance improvement and is noted as such in the Act. It includes data and process benchmarking and is an activity that enables the whole sector to learn and improve. All local authorities are faced with the same challenges – they may be different in scale but they are the same in theory. As such it is nearly always the case that someone else in the sector has faced a problem which others are struggling with. It is a waste of resources not to use the experience and expertise that others can provide in order to improve the performance of all.

## **7. APSE Support**

As stated earlier there is a danger that performance improvement could become an industry in itself. Investing in expensive systems, re-inventing the wheel, duplication of work and employing consultants might all be expensive, time consuming and self-fulfilling in terms of repeat work – clearly unacceptable when resources are under pressure.

As many of you will know, APSE runs the largest public sector performance management and benchmarking model in the UK. It covers 14 service areas, many of which are directly applicable to the services provided by the councils in Northern Ireland.

It is an established model with 180 local authorities submitting data with a focus on sharing experience and expertise. Comparison of performance data and, more importantly, the processes that lead to good performance, helps the identification of better ways of working, improved outcomes and a sector which interacts for the benefit of all. We understand that collecting data is a pointless exercise unless it is used to improve services and inform interested parties. As such we run a series of benchmarking events to enable process benchmarking to occur.

APSE is in the process of developing new templates for services such as planning, economic development, culture, corporate services and building control.

Bearing in mind the amount of work involved in establishing and developing the new councils, re-inventing the wheel in terms of performance improvement and benchmarking is not an option in Northern Ireland.

APSE will draw up a series of briefings over coming weeks to discuss some of the issues around managing performance in functions from both a corporate and service perspective, and drawing on Performance Networks.

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