

## SHARED SERVICES PROGRAMME – PERFORMANCE MANAGEMENT FRAMEWORK

### MANAGEMENT SUMMARY

#### 1. Introduction

##### 1.1 Background

Watford Borough Council and Three Rivers District Council have agreed to share Human Resources (HR), Finance, Information & Communication Technology (ICT) and Revenues and Benefits services.

The objectives of the Shared Services Programme are:

- *Improved Performance:* To achieve a step change in improved performance of these services which will be recognised by our customers and in each council's performance indicators.
- *Resilience:* To strengthen the capacity and resilience of the service teams to improve the reliability and quality of services to our customers.
- *Savings:* To achieve efficiencies and cost savings through economies of scale and moving towards common processes and systems that are more effective and efficient than those that currently exist.

##### 1.2 Purpose

This document recommends the approach to be taken to managing the performance of the shared services in order to ensure the objectives are achieved.

#### 2. Performance Management Framework

The approach to Performance Management is based on three key elements:-

##### ***Service expectations that are clearly understood***

These expectations are set out in:

- **Service Plans**  
The Detailed Business Case spelt out how performance will be improved (including key performance indicators), how resilience will be achieved, and the savings anticipated from sharing services. These were cascaded into four service plans and enhanced by other performance indicators and benchmarking information where available.
- **Service Level Agreements (SLA)**  
These define the roles and responsibilities for the shared service and customers alike. Service delivery is based on clear and defined requirements. The SLAs embed a reliable and responsive approach to dealing with customers and their changing needs.

### **Defined roles and responsibilities**

The following 'stakeholders' have an interest in performance management:-

	Constituent Councils		Shared Services
Members	Cabinet / Executive Committee Scrutiny Committees Portfolio Holders	Members	Joint Committee
Officers	Leadership / Management Team Performance Management/Client Officer Service Users	Officers	Management Team Comprising: Directors Heads of Service

The aim is to plan, monitor and manage service performance collaboratively and avoid duplication of effort.

- The two constituent councils have delegated to the Joint Committee their human resources, ICT, finance, and revenues & benefits functions and determined that the Joint Committee shall be responsible for reviewing actual performance against service plans.

Performance management information will be prepared quarterly by the Shared Heads of Service for approval by the Shared Services Management Team. A composite report will be published and made available to all 'stakeholders'.

The quarterly report will be presented to the Joint Committee at which explanations may be sought from the shared services directors and heads of service. Representations may also be heard from the councils' performance monitoring / client officers representing the views of the councils' management teams and service users.

- Different arrangements will exist at each council for monitoring the shared services performance:-

At Watford the shared heads of service will meet monthly with the portfolio holder for finance and shared services.

At Three Rivers performance will be considered by the Resources Policy and Scrutiny Committee half yearly (in line with the arrangements for other services).

- The two constituent councils have the ability to 'call in' a decision of the Joint Committee for scrutiny and hence question performance. This would be on the basis that a performance monitoring report to the Joint Committee reported an increase in budget or matters not within existing policy, i.e. the policy that services should improve.
- At officer level the Shared Services Management Team will meet monthly with the councils' performance management / client officer who is expected to be the link between shared services and the councils' leadership / management teams and service users. Ad hoc meetings will be arranged as appropriate.

### ***Sound processes***

This means that there are arrangements for:-

- Including performance measures in service plans
- Reviewing Service Level Agreements
- Capturing data and ensuring its Quality
- Feedback and Improvement (complaints and remedial actions)
- Controlling changes, and
- Communicating performance issues

### **3. Performance Management Timetable**

The proposed calendar of events is shown below:-

## Performance Management Timetable

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
<b>Service Planning</b> <i>Heads of Service submit to Joint Committee three-year medium-term plan.</i> <i>Joint Committee approves service plan including service level agreements</i>								X	X			
<b>Budget Setting &amp; Approval</b> <i>Councils submit to Joint Committee estimates of funding likely to be available.</i> <i>Three-Year Medium-Term Financial Plan for Shared Services prepared for Joint Committee</i> <i>Joint Committee submits to councils its funding requirements (deadline 10 Jan).</i> <i>Councils approve budgets</i>							X	X	X	X	X	
<b>Joint Committee Reports</b> <i>Quarterly Performance Management Reports considered by the Joint Committee circulated to all stakeholders</i>	X			X			X			X		
<b>Portfolio Holder Meeting at Watford</b> <i>Shared heads of service meet with portfolio holder</i>	X	X	X	X	X	X	X	X	X	X	X	X
<b>Resources Policy &amp; Scrutiny Committee at Three Rivers</b> <i>Considers most recent performance monitoring report</i>	X						X					
<b>Shared Services Management Team Reviews</b> <i>Shared Services performance considered monthly to ensure plans are being delivered and future activity is in keeping with the Service Plan</i>	X	X	X	X	X	X	X	X	X	X	X	X
<b>Customer Satisfaction Review</b> <i>Annual survey utilising benchmarked services in order to not only measure own services but also identify how the services compare to the peer group.</i>	X											