

**PERFORMANCE MANAGEMENT REPORTING – UPDATE 2016**

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**1 INTRODUCTION**

- 1.1 This report provides the Audit Committee with an annual update on progress against the process for scrutiny of the council's performance management processes and procedures previously agreed by the Audit Committee in June 2013. The Audit Committee's role is to ensure that there are appropriate management systems in place. The council's Performance Review and Scrutiny Committee has a different role as set out in its Terms of Reference.

**2 RECOMMENDATION**

- 2.1 That the Audit Committee notes progress against the agreed scrutiny process for the council's performance management system and procedures.

**3 DETAIL**

- 3.1 In June 2013, the Audit Committee agreed a series of actions to ensure that due process is followed in relation to scrutinising the process of performance management, its systems and procedures. This is distinct from the role of the Performance Review and Scrutiny Committee.
- 3.2 Although the PRS scrutinises the council's performance, the Audit Committee retains a responsibility to ensure that appropriate management systems are in place across the council.
- 3.3 In June 2013, the Audit Committee recommended that the following actions be put in place to meet this responsibility and ensure that management systems are in place. Updates on these actions are presented to the Audit Committee for information and comment.
- 3.4 **Annual Audit Plan**  
The Annual Audit Plan includes audit of the performance management system which is reported to the Audit Committee as a matter of course.
- 3.5 **Annual Report**  
An Annual Report on performance management processes and procedures has been developed as part of the review of the Planning and Performance Management Framework. This was identified as a new and additional piece of work. A report on the Planning and Performance

Management Framework was presented to the Performance Review and Scrutiny Committee on 26 February 2015. The PRS Committee noted the report.

**3.6 Performance Risk Based Assessment of Audit**

Internal Audit now take cognisance of performance when preparing the Annual Audit Plan Risk Assessment process based on assessment. This will ensure that higher risk sections are highlighted for additional support and if required additional scrutiny.

**3.7 Internal Audit Findings**

Internal audit findings now, where relevant, give consideration to effectiveness of a section/department/team's performance management system and where appropriate, cross reference to performance scorecard information. This provides consistency of reporting and improvement of performance scrutiny.

**3.8 Planned Review of Planning and Performance Management Framework**

The HR and OD team are currently undertaking a service redesign. As part of this redesign the Chief Executive has requested a wholesale review of the council's planning and performance management framework. The Performance Review and Scrutiny Committee are contributing to discussions around this. The focus of the review is a smaller number of outcome indicators to support strategic decision making.

**4 CONCLUSION**

- 4.1 The Audit Committee agreed a series of actions in June 2013 to ensure that there continues to be an assessment of the performance management system that is in place in the council. This report provides an update on progress against these actions and advises the Audit Committee that all agreed actions have been dealt with. The HR and OD team are currently undertaking a review of the Council's planning and performance management framework.

**5 IMPLICATIONS**

Policy	None
Financial	None
HR	None
Legal	None
Equal Opportunities	None

Risk	Effective management of performance
Customer Service	reduces risk across the council. None

**Douglas Hendry – Executive Director Customer Services**

**For further information contact:**

Jane Fowler, Head of Improvement and HR, Tel 01546 604466