

NORTH LINCOLNSHIRE COUNCIL

GOVERNANCE & TRANSFORMATION CABINET MEMBER

STRATEGY, POLICY & PERFORMANCE FRAMEWORK 2016-2020

1. OBJECT AND KEY POINTS IN THIS REPORT

- To seek approval of an updated Strategy, Policy & Performance Framework.

2. BACKGROUND INFORMATION

- 2.1 At the cabinet meeting in February 2016, a new council strategy was adopted which set out the council's aims and priorities over the next four years. In line with the introduction of the new strategy, we have review and updated the strategy, policy & performance framework to reflect latest practice and advice.
- 2.2 The purpose of the strategy, policy and performance framework is to provide a consistent approach to the development, delivery and measurement of the council's key strategies and policies.
- 2.3 This framework sets out how we will produce our strategies and policies; determine the actions that will deliver them and measure, monitor, analyse and report our progress against delivering outcomes for the people of North Lincolnshire. The document will also help to determine how we will set out and improve performance against these outcomes.

3. OPTIONS FOR CONSIDERATION

- 3.1 In developing this framework we have taken many of the original key principles used to the develop the original 're-thinking performance' agreed in 2011 and updated this with a revised approach that builds on latest practice such as Outcomes Based Accountability methodology. We have also included a new section on policy development to drive consistency in approach and application of key council policies.
- 3.2 In producing the framework we have developed it around a simple and widely recognised four-stage Plan-Do-Review-Revise process. This process encompasses the current methods of developing and monitoring our policies and strategies, reporting our performance and improving our services and outcomes.
- 3.3 The framework has also been written in a language that can be understood by all those with a stake in ensuring that the council develops, delivers and monitors its strategies and policies.

4. ANALYSIS OF OPTIONS

- 4.1 The benefits of producing an updated integrated Strategy, Policy & Performance framework include clarity of understanding and consistency of application of key principles and approach ensuring alignment and delivery of corporate priorities.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 Financial

No impacts although the framework will help to ensure that council's performance and value for money positions are optimised.

5.2 Staffing

No impacts.

5.3 Property

No impacts.

5.4 Information Technology

No impacts.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

N/A

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTEREST DECLARED

- 7.1 The framework has been developed in conjunction with the Finance & Performance working group which contains senior officers from all Directorates.

8. RECOMMENDATIONS

- 8.1 That the updated Strategy, Policy & Performance Framework is approved.

DIRECTOR OF POLICY & RESOURCES

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North Lincolnshire Council
Strategy, Policy and Performance Framework

2016-2020

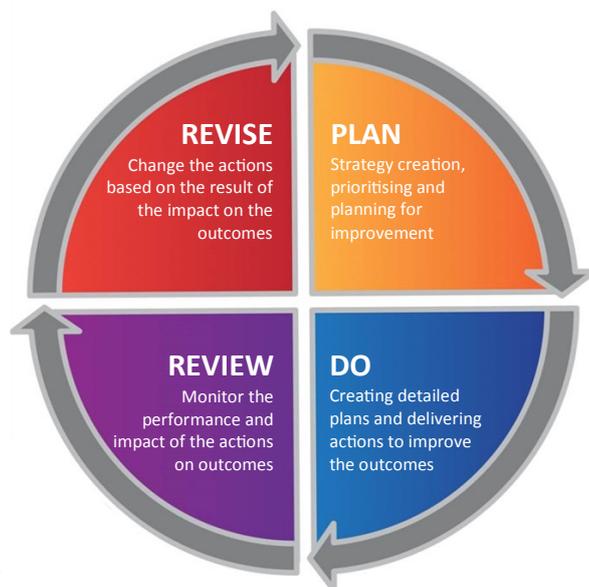


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Introduction and Purpose

Our vision is for North Lincolnshire to be an area with aspiring people and inspiring places. We strive to deliver excellent outcomes for the people and places of North Lincolnshire. This is the shared aim of elected members; senior management and the workforce of North Lincolnshire Council.



Strategies help us to think through what specific outcomes we want to achieve



The purpose of this strategy, policy and performance framework is to provide a consistent approach to the development, delivery and measurement of key strategies and policies within North Lincolnshire. This framework sets out how we will write and define our strategies and policies; determine the actions that will deliver them and measure, monitor, analyse and report our progress against delivering outcomes for the people of North Lincolnshire. This document will also determine how we will set out and improve performance against these outcomes.

There are a number of alternative methods of approaching strategy, policy development and performance management but whichever method is deployed the basic elements are always the same.

Strategies help us to think through what specific outcomes we want to achieve, why we want to achieve them and the various ways in which we might approach realising them. Putting strategies into practice and acting strategically ensures that we are focused on the things that matter. Developing strategies with supporting performance management and policy arrangements means that everyone can understand how we work and where they fit in.

This framework is structured around the recognised **Plan / Do / Review / Revise** cycle:

- **Plan** what needs to be done to achieve the priorities and aims of the council (Strategies)
- Ensure that we plan and carry out what we need to **Do** (Plans) to deliver what is in the strategy using Policies to help put our strategies into practice in a consistent way
- **Review** whether the actions taken have delivered the required outcomes. This involves monitoring our progress and performance. What have we learnt from the actions that we took? What has gone well or what could have been better and reporting progress and outcomes achieved as a result of our actions (Performance Management)
- Act on the intelligence that comes out of the review process and **Revise** the actions and the service provided to continually improve our services to the public (Commissioning, Improvement & Value for Money)

Introduction and Purpose cont..

The strategy, policy and performance framework will ensure that as a council we provide the best possible services to the people of North Lincolnshire



The process of Plan, Do, Review & Revise outlined on page 3 is simple to understand and operate and can be used both proactively where the council determines its strategies, plans and policies to deliver its priorities and aims, but can also be used where we need to react to issues of underperformance or unexpected changes in national or local policy.

This framework will help ensure that as a council;

- Our work is planned to secure best use of our resources
- Our plans, policies and strategies are written in a consistent manner
- Decisions are based on sound data and intelligence
- Our progress is tracked to ensure that we complete our actions
- Our performance is measured to ensure that we are improving and delivering our outcomes
- Planned improvements to our services are achieved
- The best possible services to the people of North Lincolnshire are provided
- We focus on 'What Matters'
- We continue to reduce bureaucracy and burden
- We continue to concentrate on the critical issues
- We increase focus on challenge at all levels
- We keep it simple
- Importantly we are; self aware, self regulatory and self improving

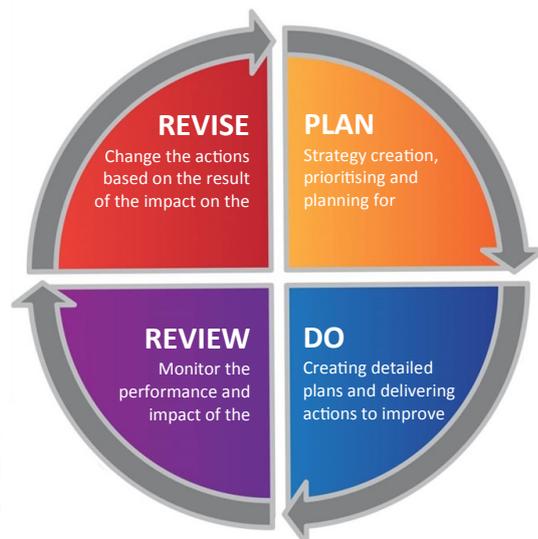
Section 1: PLAN

In order to determine how we will deliver the aims and priorities for the council and to meet other statutory requirements, we need to ensure that we plan what we need to do and how we will do it.



In key areas we will translate outcomes into a specific plan with defined deliverables via a strategy e.g. children and young people’s plan.

We will set these requirements out in a structured and concise format, which will enable everyone to see how and where they fit in to the delivery of the outcomes. Each of these separate strategies should be written in line with the structured format.



1.1 What is Strategy and Policy Development?

Appendix 1 identifies the process map for developing strategies and policies in North Lincolnshire and presents a step by step guide for the effective development of any strategy, policy or plan. However, before writing a strategy it is important to consider the following questions:

- Why is this piece of work being developed? (If there is no legal requirement to produce one, approval from your director should be sought)
- What are the boundaries of this piece of work?
- Who are the stakeholders?
- How does this fit with national and local priorities?
- What is the timescale for design and implementation? (including milestones)
- What sources of evidence are there?
- How we will involve customers and stakeholders in development and how we will feedback to them?
- What are the key issues affecting the strategy? (including undertaking an integrated impact assessment)
- What are the SMART outcomes? (**S**pecific, **M**easurable, **A**chievable, **R**ealistic, **T**imely)
- What different options have been identified?
- Have we identified what information we need and how it will be collected and monitored?
- Have we recorded everything we have done so far?
- How will we communicate the completed document and proposed implementation to delivery partners, stakeholders and members of the public?
- What is our plan for delivery?

Strategy and policy development, also known as strategic planning, is a fundamental part of running a local authority or any organisation. Put simply it is a game plan that sets specific goals and objectives. The next section provides more information on the stages of strategy and policy development.

Before embarking upon the development of a strategy or policy it is important to have a clear rationale for it and to understand whether it is really necessary. We need to ensure that all council strategies demonstrate clear alignment to the council’s strategic priorities and aims outlined in the North Lincolnshire Strategy 2016-20. We have committed to reduce the burden and in particular the need to write long strategies, policies and plans. Any strategies or plans we do produce must add value and improve outcomes for local people.

The identification of outcomes is a key part of strategy development. The outcomes should demonstrate the intended 'impacts' we hope will be achieved by implementing the strategy and can be written in several ways. Strategies and policies do not have to be long. A concise document is often more effective, with specific information contained within appendices. It is important not to assume that people reading the document will understand what we are saying, particularly if using technical terms and acronyms; always use plain English.

1.2 How to write a Strategy

The council constitution outlines the policy framework and lists the council's core strategies and plans required. In addition the council has identified a number of other key plans and strategies that are necessary for the delivery of our vision and priorities. It is important to be consistent in the use of terminology and have a clear definition of whether documents are strategies, plans or policies.

A strategy should be forward looking, defining outcomes, taking a long terms view and be outward looking



The difference between policies, strategies and plans

- A **Policy** is a particular approach rather than a specific course of action, broad in content and a reflection of the position taken by the council on a specific issue. Policies guide and constrain behaviour in order to meet legal and best practice requirements.
- A **Strategy** outlines how the policy will be achieved; the process by which the council will implement its policy on a specific issue.
- A **Plan** is a list of actions that will when delivered, achieve a series of outputs or outcome which will deliver the Strategy

A strategy is defined as:

- A medium to long-term vision [3-20 years] which sets out what the priorities for the council, or Council and its partners will focus on
- The objectives that have to be achieved to meet the priorities
- The actions that will be undertaken and
- The indicators that will determine whether we have improved our outcomes.

A strategy should be forward looking, defining outcomes, taking a long term view and be outward looking. It should take into consideration, local, regional, national and global factors. All strategies need to be adaptable to new information and take account of changing circumstances or unexpected events.

Very often the term strategy is used interchangeably with the term plan or policy; this guide will use the term strategy but apply equally to plans.

1.3 North Lincolnshire Strategy

The strategy sets out the council’s vision with a set of internal and external priorities and aims and what we are going to do to achieve these. Over the next four years we will be working to deliver services in new ways to our communities. We will report to our residents regularly and our information will be clear, transparent and be openly available and will drive accountability.

Our organisational priorities will guide the work of the council and ensure our contribution to achieving our vision for North Lincolnshire of Aspiring People, Inspiring Places.

For each of the strategies’ aims we have identified ‘where we want to be’. These are outcome statements and identify how we want our key services to look like it in four years time.

In order to achieve these outcomes we have determined the actions we need to carry out that will get us there. These actions are detailed

under the heading ‘how will we get there’. To ensure that the actions we take are making a real difference to the outcomes, we measure the impact of those actions through a set of performance indicators.



1.4 What is Policy Development?

Policies create a framework to guide the actions and set out the rules and procedures in an organisation. Policies guide and constrain behaviour in order to meet legal and best practice requirements .

There are five stages to policy development;

- | | |
|--|-------------------------------------|
| 1. Policy identification & justification | 4. Implementation and communication |
| 2. Developing the content | 5. Monitoring and review |
| 3. Approval | |

1.5 How to write a Policy

Below are the guiding principles for the development of policies:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Be based on up to date robust evidence showing clear linkages to legislation, council priorities and evidence (as appropriate) • Be subject to appropriate consultation • Have a senior approval (either Directorate Senior Leadership Team, CMT, Cabinet member/Full Cabinet (as appropriate) • Have an integrated impact assessment undertaken | <ul style="list-style-type: none"> • Have an associated communication plan • Contains the date that the policy becomes effective • Have a version control and be reviewed on an annual basis • Contain lead officer contact details • Be stored centrally in an accessible format |
|---|--|

Core Policy Content

Policies need to be flexible in nature and therefore a one size fits all approach is not necessary. However, best practice policy development states that as a minimum all policies should consist of the following information:

- | | |
|--|---|
| <ul style="list-style-type: none"> • Introduction and background • Definitions • Policy statement/purpose • Scope of policy • Linkage with other policies/procedures (as appropriate) | <ul style="list-style-type: none"> • Legal framework (as appropriate) • Responsibilities • Implementation/Procedures (as appropriate) • Review and evaluation • Appendices |
|--|---|

1.6 How does strategy and policy development and performance management operate in North Lincolnshire?

In 2015 we reviewed the key principles underpinning strategy development and performance management to ensure that we align with national and local changes.

The eight key principles underpinning our strategy and performance management framework in North Lincolnshire are:

- A focus on core services
- Reduced bureaucracy & burden
- Simple and appropriate reporting structure
- Integrated strategy, performance, risk, financial monitoring and Value for Money
- Personal and organisational performance to be everyone's responsibility
- Increased focus on challenge at all levels
- Continued improvement
- Transformed services

Underpinning these principles to the Performance Framework is a set of criteria by which we work, principally to use outcome based statements for example;

- Statements starting with 'we are committed to' such as '*We are committed to enabling communities to thrive and live active and healthy lives*'
- and**
- Statements which envisage how things will be different in the future, such as '*Improved population health with equality of health and well-being across all life stages*'

Whilst the council actively determines its own performance framework, there are a number of national frameworks that we need to be aware of;

- NHS Outcomes Framework
- Public Health Outcomes Framework
- Adult Social Care Outcomes framework
- Children and Young People's Health Outcomes framework

We ensure that where possible external frameworks are integrated into the council Strategy.

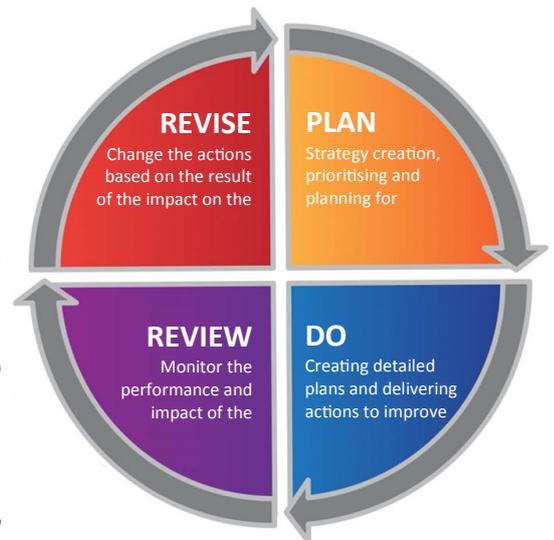
Monitoring progress and achieving the objectives and actions set out in the strategy will enable us to demonstrate whether the outcome is being achieved.

Strategies and policies should be made available through the Intranet or TopDesk as appropriate.



Section 2: DO

Once a strategy or policy has been written and approved it then needs to be implemented. In order to do this the strategy or policy will be turned into a number of more detailed action plans to ensure that the strategy it is delivered.



The plans and actions need to be SMART (**S**pecific, **M**easurable, **A**chievable, **R**ealistic, **T**imely) and will detail the following:

- How the Plan will deliver the strategy
- What action(s) needs to take place
- Who (either a person or group) needs to deliver the action
- When the action will commence
- What resource is required to deliver the action
- What barriers are there to the delivery of the plan or action
- What are the risks to the completion of the plan or action
- How the action impacts on other actions, plans and strategies
- When the action will be delivered by

role in delivering the actions and to ensure that they are being delivered the actions will be discussed as part of;

- Employee Performance Management Framework
- Regular 1:1 supervision
- Regular team meetings
- Skills and competences to deliver the actions and priorities will be reviewed as part of the process at all levels of the council including management and leadership

Actions will be delivered by services and all employees will be able to understand what it is that they are setting out to achieve and how their actions fit into the overall council priorities. Actions will be monitored by services using robust information management as part of directorate and strategic plans and filtered into operational and individual plans as appropriate.

In order for every individual to understand their

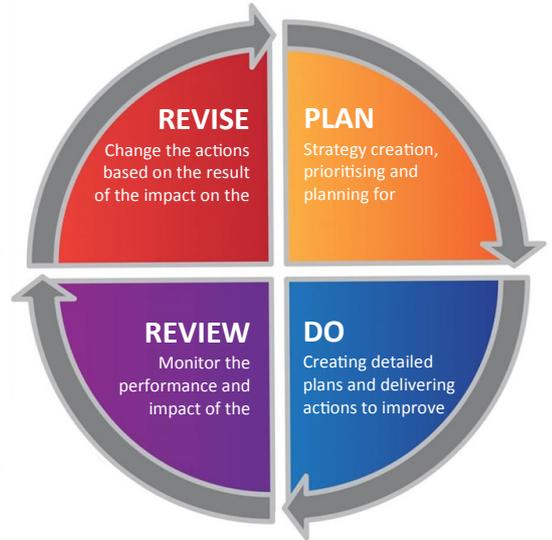
The delivery plans and actions, requires the adequate allocation of resources, both staffing and financial and this should be established before the plan, the performance indicators that will determine its success should be agreed. These should be outcome based indicators that will show whether we have / have not achieved our objectives.

Action plans and actions need to be SMART



Section 3: REVIEW

Having written the strategy and determined the actions that will deliver it, we then need to ensure that the actions are delivering the required changes to outcomes. In order to do this we performance manage the strategy. This will allow us to assess which actions deliver improvements and where necessary any changes that we need to make.



An effective approach to Performance Management is important to the success of any organisation

Effective performance management is about making the best use of people, resources and intelligence to help

us to improve our services and outcomes for the people of North Lincolnshire. It is about efficiency, transformation and value for money. It relies on systems and people working together to ensure that the right things happen. The systems, processes and data are inseparable from the softer aspects such as culture, leadership and learning which are required to ensure that any improvements in

performance are possible. Performance management needs to operate at organisational, directorate, service and individual level for it to be effective in delivering our priorities.

An effective approach to performance management is important to the success of any organisation. It ensures that we remain focused on what is important to us, our service users and communities to ensure that we deliver better outcomes efficiently and effectively and that we deliver on our key priorities.

3.1 How we monitor, review and report

All strategies, policies and plans need to be flexible and able to adapt to meet changing requirements. It is important therefore that arrangements are put in place to monitor and review the strategy and seek continual improvement. Effective Performance Management relies on a continual monitoring process which utilises all available intelligence to inform decision making. Directors along with their Cabinet Member, own and lead strategy development and performance management for their Directorate but there needs to be corporate visibility of this,

particularly any areas of risk or weakness.

Self-awareness and mechanisms to enable corporate

discussions about areas for improvement in the spirit of collective responsibility are important. The role of the Leader and Cabinet are central to the whole framework, providing leadership and oversight.

Effective Performance Management relies on a continual monitoring process which utilises all available intelligence to inform decision making



In Summary;

- Each Director, with their Cabinet Member, is responsible for the delivery of strategies and for managing performance and improvement in their Directorate.
- The Chief Executive, with CMT is responsible the delivery of the council Strategy 2016-20 and for advising the Leader and Cabinet on the Council's overall performance and improvement and for identifying on-going areas of concern.
- CMT will receive regular reports and determine those areas that require transformational change
- The Cabinet team oversees the process in delivering results and will, through individual cabinet members, set the key performance indicators and targets.
- The Audit Committee oversees our delivery of robust Data Quality.
- The Leader and Cabinet will set the overall priorities for the Council.
- Individual cabinet members will agree the expected level of improvement in their directorate.
- Additional challenge will be provided by the finance and performance working group.
- We are implementing alternative methods of reporting and improving outcomes through 'Outcome Based Accountability'. This will entail a change from target-based performance to improvement based monitoring, exploring:-
 - How much did we do?
 - How well did we do it?
 - What difference did it make?

A further consideration for data requirements of the council is the 'Single Data List'. This contains the entirety of central government departments' data requirements from local government, which means councils know exactly what information Government will ask for over the course of a year. Services need to be fully aware of these data requirements and ensure that data is submitted to the relevant government department in line with the specified timescales. This data is available via LG Inform, a website which gathers nationally available data and information from a raft of government departments to enable services to compare themselves to other Local Authorities.

This helps to maintain the focus on internally driving improvement proactively on the things that matter to the Council and local residents.

To drive this we have developed a 'scorecard' that provides key aspects of management information to form an integrated approach. Appendix 2

3.2 Outcome Based Accountability (OBA)

OBA is a conceptual approach to planning services and assessing their performance that focuses attention on the outcomes that services and the council want to achieve.

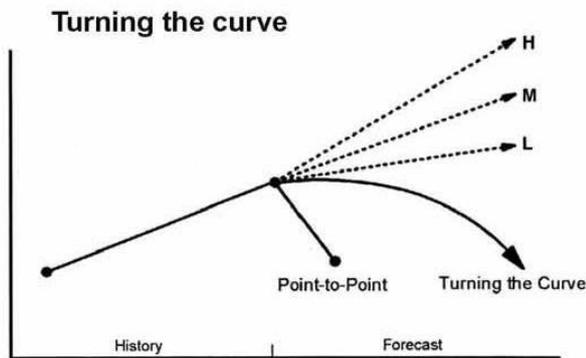
Features of the approach are;

- Use of simple and clear language
- The collection and use of relevant data
- The involvement of stakeholders, including service users and the wider community, in achieving better outcomes
- The distinction between accountability for performance of **services** and accountability for outcomes among the wider **population**

Tools in the OBA approach

Central to the OBA approach is a process described as “turning the curve”. An outcome in need of improvement is described, and then consideration is given to what is likely to happen over time if nothing changes. Plotted as a graph, this projected trend data provides a baseline against which subsequent progress can be measured.

By instituting effective and timely action to achieve better outcomes, service managers can expect to achieve results that move away from the projected baseline, thereby “turning the curve”.



Baselines allow us to define success as turning the curve not point-to-point improvement.

The other process central to this approach is the use of performance management categories shown below. The aim is to distinguish between quantity and quality, and between inputs, outputs and outcomes. The bottom right hand box – what proportion of service users are better off (quantity of effect) – is the most important, but the one that is often neglected.

Performance measurement categories

	Quantity	Quality
Effort	How much did we do?	How well did we do it?
Effect	#	%
Is anyone better off?		

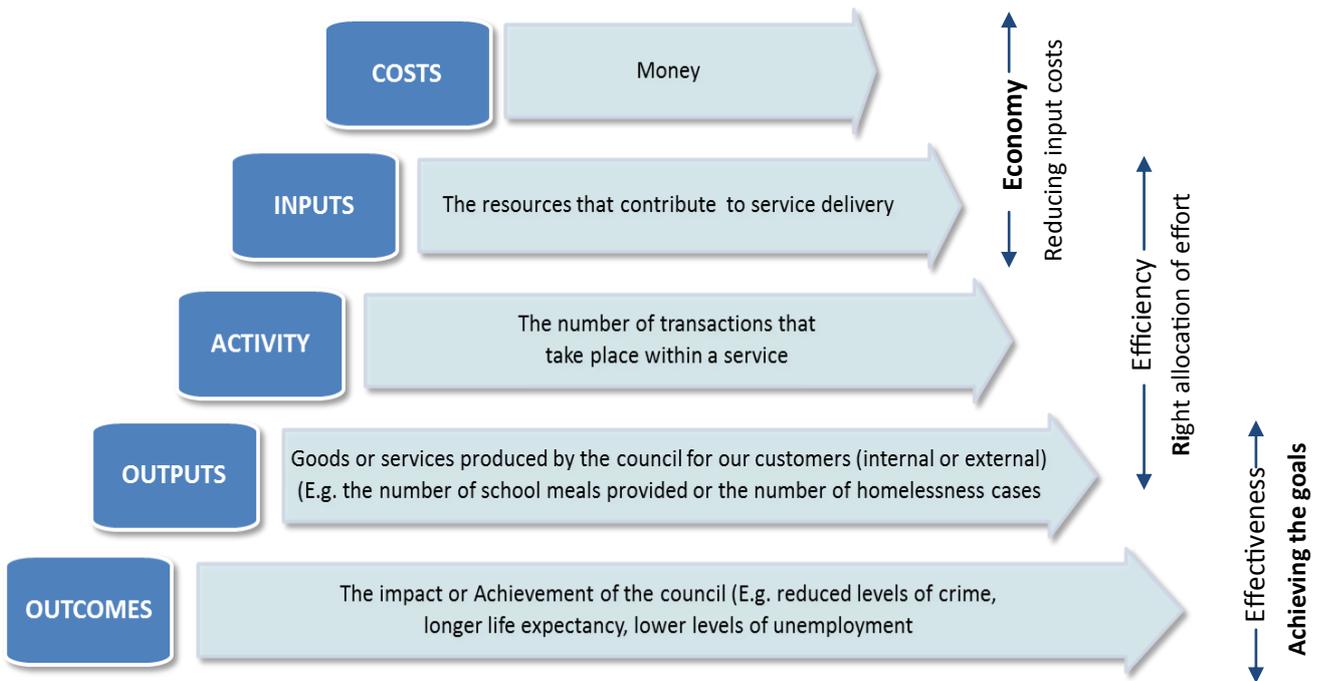
There are different distinctions between improving performance for services (performance accountability) and for improving outcomes for the wider public (population accountability). These are further explored in the council’s ‘OBA Guide to improvement’.

3.3 Value for Money

In reviewing performance we should evaluate the impact of finance on performance and vice-versa and whether we are providing value for money.

In order to deliver efficiency, transformation and value for money (VfM) we need to ensure that they remain joined up, particularly given the financial pressures we face. This requires us to provide business intelligence rather than simply performance information. This means that we review all available information that will help us to determine improvement, including data on performance, finance, workforce, customer feedback and complaints, elected member feedback, risk and value for money. The concept of VfM looks at the connection between the following aspects of council activity and relates to the three elements of economy, efficiency and effectiveness.

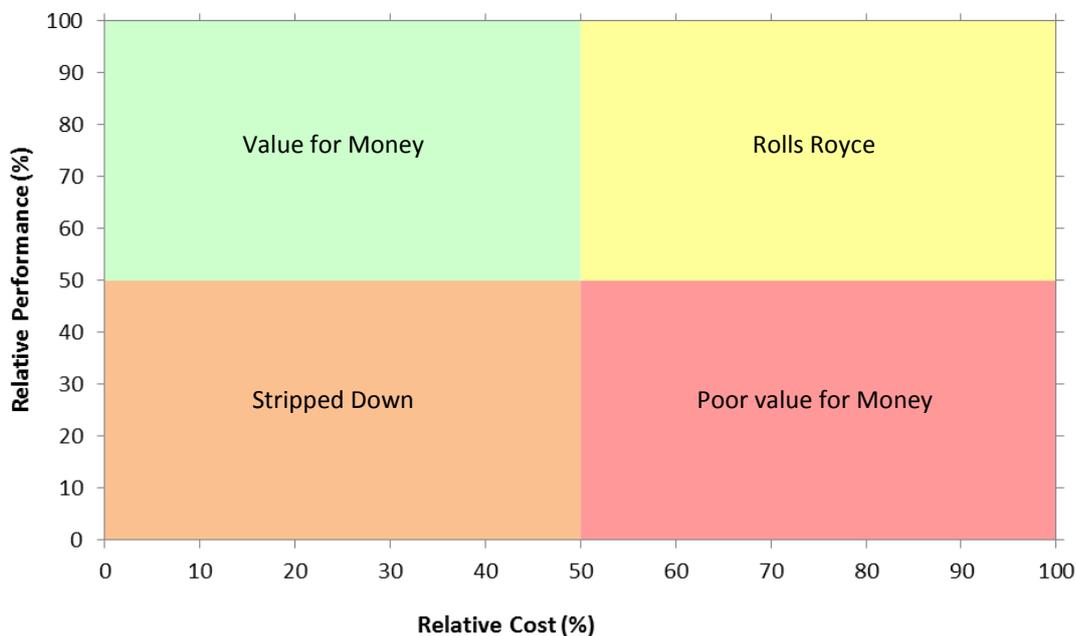
In order to deliver efficiency, transformation and value for money (VfM) we need to ensure that they remain joined up



Annually, the council undertakes a value for money profile on all of its services to determine whether the right outputs and outcomes are being delivered by the financial input (costs). These profiles compare the cost and performance of each service against national, regional and family comparators, against a four-quadrant model (below).

Various other factors can also influence the outcome. The importance of achieving the desired outcome is we actively encourage setting priorities and non-priorities.

We need to lead and manage delivery of our priorities driving continuous improvement, efficiently and effectively, reporting weaker performance and risk corporately.



The value for money findings are used as an important piece of business intelligence for both CMT and cabinet team. The areas that require either improvement on performance or cost (or both) are matched against both council and political priorities in order to determine which services need incremental or transformational improvement, with action plans produced and delivered where necessary.

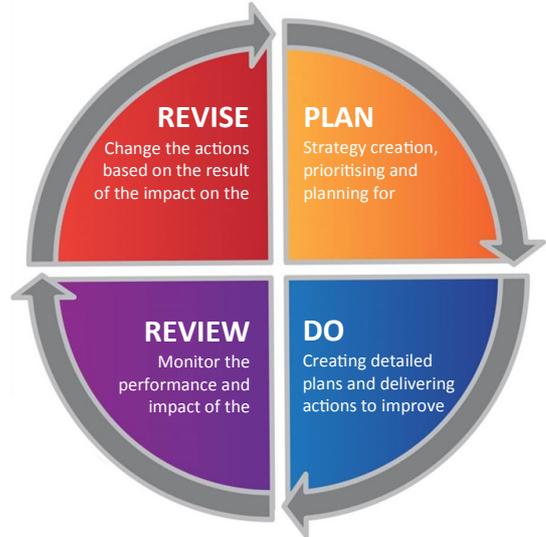
The VfM analysis can also be used to inform our commercial priorities and services that might be best placed to be more commercially active.

We need to lead and manage delivery of our priorities to drive continuous improvement



Section 4: REVISE

At the end of the life of a strategy or plan or where performance management identifies issues with the delivery or impact there will potentially be the need to revise our priorities and actions. This will require us to review all our intelligence to determine whether outcomes are or have been achieved.



As well as integrating performance with budget and financial planning we have moved to a framework that provides better and broader business intelligence. Having reviewed the performance and evaluated the learning from the actions that were taken, if the outcomes were achieved then incorporate the learning into other plans. If the outcome wasn't achieved then go through the cycle again with a different plan with new/revised actions. ('What works').

Action needed to succeed ('what works'): Guided by the data and the story behind the baseline, what changes would help to bring about the intended better outcomes. This might include:

- Evidence concerning effective services in other areas—including examples of 'what works' suggested by rigorous research and shared knowledge concerning 'best' and 'promising' practice
- 'No-cost' or 'low-cost' ideas that may not be accredited by research but have the potential to be effective based on experience and knowledge of the users
- Innovative approaches that can stimulate creative thinking, even if the actual ideas seem 'off the wall'
- Solutions based on having a fixed amount of money available to pay for them
- Ensuring that the business intelligence required to make the right decisions is available (potential sources are shown on page 11)

Providing and reviewing good business intelligence will provide challenge. This could involve re-focusing actions on what went well; and applying improvement techniques and challenge through;

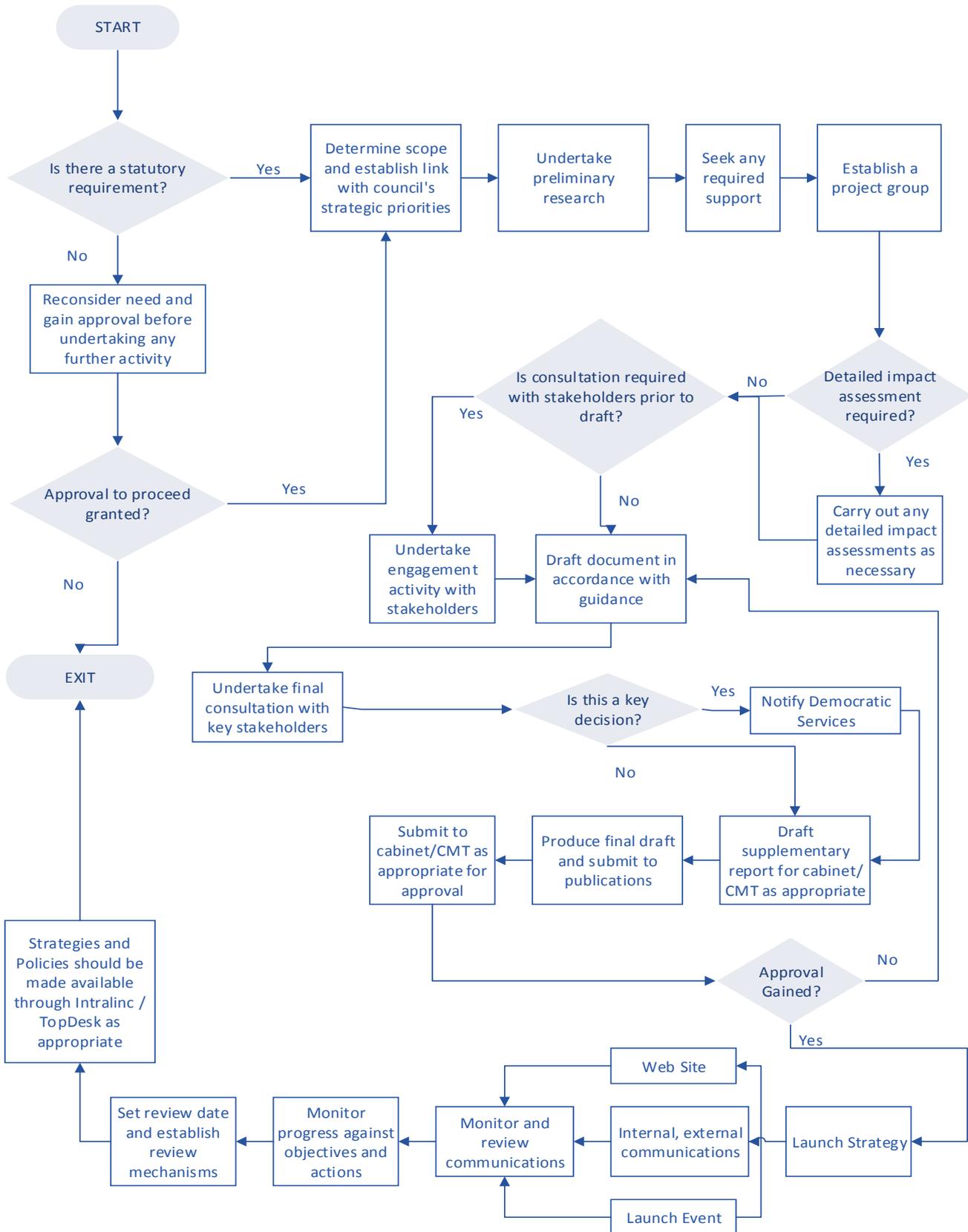
- Soft Market Testing—process of assessing and understanding market interest
- Member Feedback – Members receive performance briefings. Feedback received is acted upon
- Audit Committee - The audit committee's aim enhances confidence in the integrity of an organisation's processes and procedures relating to data quality
- Procurement – Buying in of goods and services
- Benchmarking – Performance and financial data is gathered from various local authorities and a variety of sources such as, CIPFA stats, LG inform, Office for National Statistics plus many more. Many council services are also members of benchmarking groups which gather information, data and statistics specific to the services they deliver. This data and information can then be used to help us to determine whether our improvement is in line with other similar organisations
- Benchmarking data can also identify possible data quality issues where our results differ from others
- Service improvement techniques such as Business Process Re-engineering / Lean Thinking techniques
- Trend Analysis - Analysis and Performance tracked over time will identify whether there is a long term positive improvement in outcomes and will identify where action needs to be taken to 'turn the curve'. Any significant differences in performance may identify issues of data quality
- Commissioning – Understand the needs of local people assessing the best way of meeting those needs through commissioning
- Learning from complaints – Complaints investigated. Lessons learnt applied to form improvement. Scrutiny – Areas of concern can result in cabinet providing challenge and research issues of underperformance

Once intelligence has been analysed then the actions would be revised in order to determine the best method to improve outcomes

Providing and reviewing good business intelligence will provide challenge



Appendix 1 – Process for producing a strategy, policy or plan



Support is available from Rachel Johnson (Tel: 6391) or via email

Appendix 2 – Strategic planning and performance reporting structure



Challenge—All stages of the process are designed to provide challenge too performance outcomes

