



POLICY AND RESOURCES COMMITTEE

21 JUNE 2007

PERFORMANCE MANAGEMENT SYSTEM

Report by Chief Executive

PURPOSE OF REPORT To agree revenue funding for procuring an electronic Performance management system.

COMPETENCE

1.1 There are no legal, financial or other constraints to the recommendations being implemented.

SUMMARY

2.1 The Comhairle has already approved procurement of an electronic Performance Management system via Prudential Borrowing to assist the Comhairle in managing its performance. This report identifies the revenue funding required.

2.2 The recent audit of Best Value and Community Planning concluded that¹, *“To respond to its challenging agenda, a more focused approach to Best Value is required and the Comhairle needs to improve corporate discipline, for example in the way that it uses performance management.....”*.

2.3 The Best Value audit further noted,²

“There is limited evidence that the current performance management arrangements are able to provide the Comhairle with the information it needs to allow an assessment of performance against corporate and service objectives. There is variation in management information systems and measures across services, many of which rely on manual systems. This means that performance measurement is a resource intensive activity and tends not to be seen as part of core business.”

2.4 One action in the corresponding improvement plan agreed by the Comhairle on 12 October 2006 was to, *“Develop performance management arrangements which ensure that the Comhairle is achieving its objectives and improving services to customers.”* Performance management is a mechanism for facilitating culture change and a well implemented performance management system will focus the whole Comhairle on the creation and achievement of realistic performance measures. A performance management IT system is a key ingredient to help make this happen.

2.5 Currently there is inadequate data capture of service or corporate information to give a meaningful view of the Comhairle's overall performance. An electronic performance management system could produce information that could be displayed or printed in a variety of formats, making it ideal for management reports and progress updates to Members, managers, employees and the public.

RECOMMENDATION

3.1 It is recommended that the Comhairle approve:

- (a) **Procurement of an electronic Performance Management system**
- (b) **Expenditure for procurement coming from the savings on the Annual Performance Report**

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¹ Page 6, Overall conclusions

² Paragraph 65 of the Audit of Best Value and Community Planning.