

REPORT OF THE LEADER OF THE COUNCIL

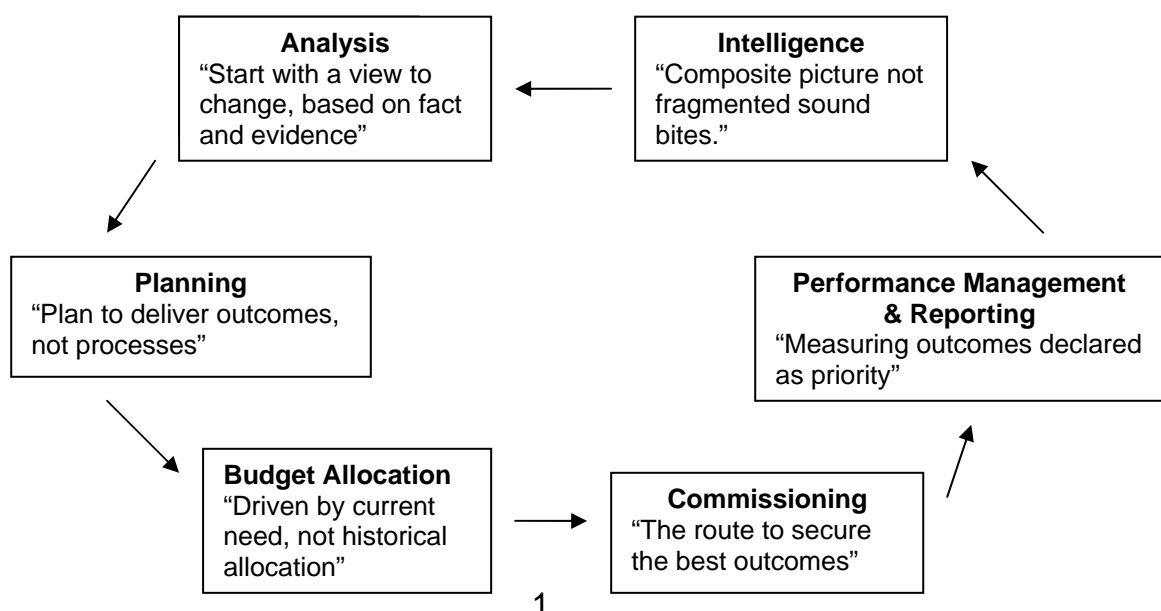
STRATEGIC MANAGEMENT FRAMEWORK

Purpose of the Report

1. This report outlines proposals to introduce a new approach to strategic planning and performance management and specifically seeks agreement to establish a new Strategic Management Framework (SMF) to govern this approach and to ensure that the new Strategic Plan drives the activities of the Council.

Information and Advice

2. A Strategic Management Framework is the process by which an organisation's leadership defines a strategy and sets a course of action for long term improvement which takes place in an ongoing continuous cycle.
3. It is proposed that a SMF which defines this integrated approach to intelligence based strategic planning, service commissioning and performance management is developed and adopted. Through this cycle:
 - intelligence will inform analysis which identifies required outcomes, actions and plans
 - budget allocation to deliver these actions is based on need not history and subsequent commissioning identifies the route to secure the best outcomes
 - monitoring and reporting against outcome based performance indicators that matter further informs our intelligence pool, and so the cycle continues
4. The SMF outlines the key components of the cycle and how they interact;



5. The introduction of a Strategic Management Framework will result in a fundamental change in the council's approach to strategic planning and performance management. A number of factors have highlighted the need for this change including:
 - The LGA peer challenge review last July concluded that a stronger drive was required from the corporate centre to implement a cohesive organisational performance management culture, to facilitate more constructive challenge across departments and to support the political leadership in making difficult strategic choices regarding the future of the county and the council.
 - The peer review also identified that the council as a whole should consider having a more comprehensive performance management system in order to be able to confidently compare and contrast performance and cost across the council; that the council should review and improve the quality of information – cost, performance, customer feedback and benchmarking data - that Committees, CLT and managers receive.
6. The Council's current Performance Management Framework does not sufficiently integrate the planning and performance cycles and it does not effectively ensure that strategic decisions on priorities and spend are based on sound business intelligence.
7. It is therefore proposed that the council adopts a new Strategic Management Framework which better integrates these functions and enables robust, rigorous and evidence based strategic decision making.

Key plans and timetable

8. Within the Framework it is proposed that the key plans of the council will be
 - a Strategic Plan;
 - a Council Delivery Plan and
 - Service Plans.

An outline of these plans is provided at Appendix 1 to the report.

9. These plans will be supported by a number of resource strategies setting out how key support services will be focused on supporting the achievement of the Council's outcomes.
10. A timetable and process for developing the plans, resource strategies and the framework is outlined below:

Strategic Management Framework

11. It is proposed that the SMF and the Strategic Plan 2014-18 are considered at full Council in September 2013 and that further to approval of these the SMF is implemented from September 2013.

Strategic Plan

12. The Strategic Plan will define the Council's vision, values and priorities; and the outcomes the council wishes to achieve for its communities between 2014 and 2018.
13. For the Strategic Plan to be ready for consideration by Council in September 2013 it is proposed that a draft plan be developed by August 2013. Consideration and agreement

will need to be given to the key priorities of the Strategic Plan taking into account manifesto commitments, budget position and the outcomes sought for communities and customers.

14. The Strategic Plan would then be considered by Policy Committee with approval sought from full Council in September.

Delivery Plan

15. Detailed planning and prioritisation will be required to ensure the actions, service delivery and resources required to achieve the outcomes sought in the Strategic Plan over its four year cycle are achieved.
16. To ensure clarity and focus on council wide priorities it is proposed that an annual Delivery Plan is produced. This will replace Departmental Business Plans. It will outline the actions and resources required to deliver, or work towards, achievement of the Strategic Plan outcomes on an annual basis and will be developed as part of an overall cycle to be set through the SMF.

Service Plans

17. It is proposed that a consistent service planning approach is adopted across the council with service plans prepared annually. This will be scheduled to allow plans to inform budget setting and the Council's Annual Delivery Plan. This approach would build on the service plan process that has been undertaken this year and use feedback from managers about what has worked well and what improvements could be made.
18. Service Plans will be produced at the appropriate level for individual services but would predominantly be at Group level. These plans would set the level and quality of service that would be provided within the available resources; operational objectives for the year and outcomes sought for each service.
19. Service performance will be scrutinised by Members through reporting to the appropriate committee. Progress against service plans will be managed through the management process at Team, Group and Service Director level.

Resources Strategies

20. The Council's Resources Strategies such as the Medium Term Financial Strategy; ICT Strategy, Procurement Strategy and Workforce Development Plan will outline how these functions will support service delivery and the Council's outcomes.

Implementation of the Framework

21. To enable the SMF to be successfully implemented it is proposed that a programme to implement the framework be established through the Business Transformation Board, to be sponsored by the Corporate Director, Policy, Planning and Corporate Services.
22. To support the implementation of the Framework it is proposed that a strategic management support function is established - working directly with services, managers and leadership teams across the authority in a similar way to finance and HR officers. The strategic management function would provide business intelligence, community intelligence and support to allow directors and managers to use data to assess performance; consider actions and opportunities and predict future issues.

23. In addition the function will ensure that the organisation has accurate performance, benchmarking, policy, research and customer insight data for services, managers and members to consider and report. Future service pressures and priorities will also be considered.

Other Options Considered

24. None.

Reason/s for Recommendation/s

25. Policy Committee required the development of a new performance management framework as part of the action plan agreed in September 2012 following a peer challenge. The recommendation progresses this requirement.

Statutory and Policy Implications

26. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.
27. In addition the Council will need to have regard to any statutory and policy considerations in the future development of the key plans that will be required through the implementation of the Strategic Management Framework.

RECOMMENDATION/S

It is recommended that

1. The Policy Committee agree the development of the Strategic Management Framework.

Councillor Alan Rhodes
Leader of the Council

For any enquiries about this report please contact:

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Constitutional Comments (KSK 11/06/2013)

28. The proposal in this report is within the remit of the Policy Committee.

Financial Comments (DJK 11/06/2013)

29. There are no specific financial implications arising directly from this report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Nottinghamshire County Council Strategic Plan 2010 - 2014
Nottinghamshire County Council LGA Peer Challenge – September 2012
Nottinghamshire County Council Performance Management Framework

Electoral Division(s) and Member(s) Affected

All

DRAFT

Strategic Planning

The outcomes that the Council's wishes to see for communities and customers will be agreed as part of a framework of connected plans. The plans will set out the activity to be undertaken to achieve the outcomes, the indicators or measures of progress and the resources required:

The **Strategic Plan** sets out the long term vision for Nottinghamshire. It establishes the Council's

- Vision and Ambition
- Values
- Priorities
 - Outcomes for communities
 - Indicators

over a four year period.

The **Resources Strategies** outline the Council's capacity to deliver services over a four year period. They include the:

- Medium Term Financial Strategy
- Capital Programme
- Property Strategy and Asset Management Plan
- ICT Strategy
- Workforce Strategy
- Procurement Strategy
- Risk Management Strategy

The **Annual Delivery Plan** identifies clear and specific activity to deliver, or work towards achievement of the outcomes for communities set out in the Strategic Plan.

- sets action to implement Strategic Plan
- sets the Outcomes for customers and measures for Council services
- the service commissioned to deliver the outcomes
- the commissioning choices available for each service

The council's **Annual Budget** sets out the Council's spending plans over a one year period.

The setting of the budget includes consideration of the Council tax to be levied during the year.

Our **Service Plans** provide a yearly evaluation of

- how well our services are contributing to the achievement of our community and Outcomes for customers.
- the pressures and risks faced by the service in achieving those outcomes
- the activity to be undertaken by the service in the coming year to progress the Council's outcomes.

The council's **Policies** establish a set of principles that the County Council will follow in providing services, developing services and taking decisions about services

The council's **Strategies** will define a course of action or improvement to achieve an outcome for communities.

Policies and Strategies will have a plan for implementation or delivery.