

## **MANCHESTER CITY COUNCIL**

**COMMITTEE:** Finance and General Purposes Overview  
and Scrutiny Committee

**DATE:** Thursday, 9<sup>th</sup> March 2005

**REPORT OF:** The Chief Executive

**SUBJECT:** Performance Management Audit: Action Plan

### **PURPOSE OF REPORT**

At its meeting on 15<sup>th</sup> December the Committee received a presentation from the Audit Commission on the findings of a review of performance management in the Authority. The purpose of this report is to introduce the action plan arising from the review.

### **RECOMMENDATION**

That the action plan be noted.

### **FINANCIAL CONSEQUENCES FOR THE REVENUE AND CAPITAL BUDGETS**

None

### **CONTACT OFFICERS**

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### **BACKGROUND DOCUMENTS**

Report from the Audit Commission

### **WARDS AFFECTED**

All.

## **1. Introduction**

- 1.1 Arising from its consideration of strategic management arrangements in October, the Committee decided to review the extent to which the high level vision and strategies of the Council informed management plans and were reflected in more effective management of service delivery. In connection with this the Committee received a presentation on 15<sup>th</sup> December from the Audit Commission on the findings of a review of performance management in the Authority together with a report of the Chief Executive on the Council's response to the review. The Committee asked for the full report from the Audit Commission's review to go to the Human Resources Sub-Group and for a follow up report from officers on progress being made in relation to each of the review recommendations.
- 1.2 The action plan including progress on each of the review recommendations is attached at Appendix A. The full report from the Audit Commission appears at Appendix B.

## **2 Performance Management Action Plan**

- 2.1 In considering the action plan, Members are asked note the following:-

- This action plan is only one element of the actions being taken by the Council to improve its performance and focus on improvement. Members will be aware of other planned actions contained in the Manchester Improvement Programme.
- A Use of Resources assessment was undertaken as part of the Annual 2005 Comprehensive Performance Assessment. An action plan has been produced covering the key themes of financial reporting, financial management, financial standing, internal control and value for money. There is some overlap between the Use of Resources assessment and the Performance Management Audit. Key areas of overlap include:-
  - Quality control in our performance and financial management processes.
  - Active management performance and risk against both budget and objectives and
  - The need to better understand the cost, impact and value for money of our services.

Both action plans are aligned and integrated.

- Significant activity has already taken place in response to the issues raised. This includes revisions to documents which will improve understanding of performance management and its strategic context. A new Sustainable Community Strategy and

revised Corporate Plan will provide a much clearer strategic framework for managers. Work is also taking place on preparing a Corporate Risk Register, a new Asset Register, improving financial reporting and securing better value for money.

- It is important to note the nature of the task the Council faces. Performance improvement is just as much a cultural issue as it is a systems or process issue. As such, it requires a medium to long term approach with significant investment required in people who deliver and manage services. The role of officers and Members is critical to fostering a culture of responsibility, accountability and learning.
- This action plan will be part of the overall improvement programme. It will remain a living document and will be updated following the outcomes of the Corporate Performance Assessment and Joint Area Review of Children's Services in May 2006.

2.3 Members views on the action plan would be welcome as would any suggestions for any other actions which might address the issues raised by the Audit Commission.