

PERFORMANCE AND FINANCE COMMITTEE PROTOCOL FOR AGENDA PLANNING AND OPERATION

JULY 2007 – Version 1

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1. PRINCIPLES OF AGENDA PLANNING

- 1.1 The agenda planning process exists:
- 1.2 Firstly, to ensure that members receive a wide spread of baseline information to enable them to plan the committee work programme effectively.
- 1.3 Secondly, to better effect dialogue between service officers, scrutiny officers and scrutiny members when the agenda is being put together
- 1.4 Thirdly, to ensure that consideration of issues at committee represents a culmination of a period of off-line study of a topic, rather than a stand-alone information gathering exercise for scrutiny members, of limited value and impact both to members and officers.
- 1.5 Fourthly, to ensure that scrutiny committees, by planning their agendas and work programmes more robustly, are able to demonstrate a value for money service, which is effective and responsive to the needs and concerns of local people.
- 1.6 Performance and Finance will operate with these key principles in mind. Agenda planning will also have to take especial account of the corporate performance management position. More information on this can be found in section 4.

2. ROLE OF PERFORMANCE AND FINANCE

- 2.1 The Performance and Finance Committee exists to hold the executive to account and to assist the authority in its corporate service improvement aims.
- 2.2 The terms of reference, agreed by Overview and Scrutiny at their meeting on 10 July 2007, identifies the terms of reference of the Performance and Finance Committee as follows:
 - To consider / monitor, on an exception basis, the financial and service performance of the organisation.
 - To consider / monitor the performance of the Local Area Agreement (LAA)

- To undertake specific investigation of identified “hot spots” through Q&A, reports or challenge panels – subject to endorsement by Overview and Scrutiny Committee.
- To refer “hot spots” to O&S for more detailed investigation where necessary.
- To consider such urgent items as are necessary – ad hoc, CcfA, area scrutiny.

2.3 The Committee will, following agreement of the Overview and Scrutiny, examine the following issues:

- Performance and finance information from all areas of the council, as reported to the SPR scorecard – to include all Corporate Director scorecards, and group and service scorecards, as appropriate.
- Performance information from the NHS.
- Performance information from the Metropolitan Police.
- Performance information from schools (where appropriate – see below).
- HSP scorecards.
- Other performance information relating to services provided to Harrow residents.

2.4 Performance and Finance will, by looking at this information, support the policy work of Overview and Scrutiny Committee and of the review groups that established by that body.

2.5 It will consider performance-related issues on a “by exception” basis only. Only where performance has been identified as a cause for concern will Performance and Finance examine an issue. However, it is not a Star Chamber or probationary body. The emphasis in all discussions will be for members and officers to work collectively to establish how performance in a given area can improve, within exist resource, financial and staff capacity.

2.6 Finance issues will be considered alongside performance information, to provide context to the Committee. Occasionally it will be necessary to consider finance information outside this context – for example, to support the annual consideration of the council’s budget.

2.7 Performance and Finance will not deliver its own review-based work programme. Although it will carry out its own work at committee, any matters requiring more in-depth (or ongoing discussion) will, as a matter of course, be referred to the Overview and Scrutiny Committee, which will make a decision on whether to proceed based on a recommendation from P&F

3. ROLE OF CHAIRMAN

3.1 The Chairman, with the Vice-Chairman, is responsible for setting the agenda for each meeting. Both members will do so with reference to the Scrutiny Principles, and to the overriding principle that work undertaken must be “value for money”.

3.2 The Chairman and Vice-Chairman will hold a meeting once a month with the Scrutiny Officer and an officer from the Corporate Performance Team. The aim of these meetings will be to establish which items should be included on the agenda for the subsequent committee meeting, and to monitor performance on a wide range of issues affecting Harrow’s residents. More on these meetings can be found in sections 4 and 5.

3.3 The Chairman and Vice-Chairman will liaise closely with other members of the committee. In particular, it is important to note that both members' roles will require an ongoing, high level of commitment, necessitated by the frequent and detailed consideration of performance issues outside of the ordinary context of committee meetings.

4. INPUT FROM OFFICERS, IMPROVEMENT BOARDS AND THE CORPORATE ROLE: DEVELOPING AGENDA PROPOSALS

4.1 Success for the Performance and Finance Committee will depend on effective agenda planning. This, in turn, depends upon an acute understanding of the work that the executive is carrying out to improve performance. The Committee has to ensure that its work focuses in on these areas, and areas in general where it can have a meaningful and positive impact. Members have previously agreed that the Committee should focus upon:

- Identified financial risk areas
- Performance of priority services
- Performance "failures"
- Priority risks
- "in-year" failings, as identified by Cabinet
- Issues arising from area-based scrutiny or the CcfA.

4.2 To be able to look at these areas effectively, members have to be able to have access to officers involved in making judgments on performance at a corporate level. For example, examining financial risk relies on a consideration of the Director of Finance's identification of those services constituting a financial risk to the authority at a given time. For the municipal year 2007/08 this includes social care expenditure, delivery of the council's savings plan and the impact of the Primary Care Trust turnaround plan on council finances.

4.3 Input from a number of corporate, and officer, groups will be important, in order to ground the work in terms of what the rest of the authority is doing.

4.4 High Performing Harrow – Scrutiny has a regular item on the monthly High Performing Harrow agenda. HPH is an officer-level group which discusses strategic issues relating to performance monitoring and management in the council. HPH may raise issues which they may consider members should examine. Likewise, the Performance and Finance Committee would be expected to keep HPH informed of its activities, so that officers engaged in performance work in service department are aware of the P&F work programme.

4.5 Improvement Boards – these are bodies established by both officers and executive members to examine work being carried out to improve performance in a given area. They examine performance and identify opportunities for change and improvement. The work of the Improvement Boards, and that of the Performance and Finance Committee, will need to be closely aligned, to make sure that P&F's work has maximum impact, and to ensure that the risk of duplication is minimised. It may be that P&F can pick up more detail of work carried out by Improvement Boards, or carry out some background work in advance of Improvement Boards, to submit to those boards for their consideration. In any event, liaison between officers and members will be important.

4.6 Corporate Improvement Programme – P&F will have to consider the work being carried out under the Corporate Improvement Programme. The CIP is linked to the corporate

priorities, and sets out a suite of improvement priorities, each of which is backed up by one of a series of “flagship actions”. Progress on meeting the objectives set by these actions could be something to observe, although detailed monitoring will be carried out at a corporate level.

- 4.7 Activities being carried out under the aegis of these three bodies and plans – as well as other information, where relevant – will be reported to the Chairman and Vice-Chairman as appropriate.

5. CHAIRMAN’S BRIEFINGS AND CHAIRMAN’S REPORT

- 5.1 On a monthly basis, the Chairman and Vice-Chairman of the committee will meet the Scrutiny Officer and an officer from Corporate Performance. The purpose of this meeting will be twofold:

- To monitor and consider performance information in 2.3, above.
- When appropriate, to plan the agenda for the next committee meeting

These meetings will not be committee meetings. Substantive matters will be discussed but, constitutionally, no decisions can be made. They will be an information-gathering forum only, to support the work of P&F being carried out at committee itself.

- 5.2 In advance of the meeting, the Chairman and Vice-Chairman will be sent copies of all the relevant, new performance information made available in the previous month, as well as copies of the agreed actions from the previous month’s meeting (this information will also be copied, for information, to all scrutiny performance leads). The Scrutiny Officer will also provide a short precis, with some context on the performance information provided, comparing it to previous scorecards and identifying any potential issues.
- 5.3 The Chairman and Vice-Chairman will discuss this information at the meeting. They will consider the data provide and decide whether certain matters should be referred to P&F for their consideration. It will also extract useful information to assist O&S’s ongoing work on policy development issues.
- 5.4 Attendance at chairman’s briefing – as explained above, the briefing will be attended by the Chairman, Vice-Chairman, the scrutiny officer and an officer from corporate performance. Service officers will not normally be invited or expected to attend – the venue for discussions with service officers should be P&F committee itself. Scrutiny performance leads might choose to attend, with prior agreement, to discuss any matter due to be discussed on which they had a particular interest.
- 5.5 The action sheets will be made available on the internet and intranet, and the dates and times of the meetings will appear on the scrutiny internet/intranet site as well. However, the briefings not being formal meetings of a council body, they will not be listed on the council calendar. Notwithstanding this, any member of the public expressing an interest in attending should be able to sit in and observe. However, in the normal course of events, public concerns would be directed through the scrutiny leads as appropriate.
- 5.6 Actions following the meeting - After the meeting, an action sheet will be drawn up, identifying each issue discussed and the proposed action to be taken as a result – whether to look at an issue more closely, continue monitoring normally or refer a matter to P&F. If deciding to look at an issue more closely, the Chairman and Vice-Chairman can request additional performance information – perhaps including specific service

scorecards, longer-term historical data, or evidence from any relevant BV reviews or Improvement Boards – for the next meeting.

- 5.7 Detailed minutes of the meeting will not be taken. It will be an informal briefing session and will not under any circumstances purport to take the place of the Performance and Finance Committee. As a rule of thumb it will probably not last longer than an hour and a half and will not have a formal agenda.
- 5.8 The action sheet will be sent to all scrutiny performance leads in advance of the next meeting along with the next meeting's data pack, to inform members of ongoing issues. It will also provide performance leads with the opportunity to raise any performance-related issues of which they are aware, which can then be placed onto the agenda of the next meeting.
- 5.9 Chairman's Report – at every meeting of P&F the Chairman will table a report, summarising his and the Vice-Chairman's discussions at their monthly meetings. This report will contain:
- combined action sheet information, advising the committee of all issues considered by the Chairman and Vice-Chairman at their meetings since the previous P&F.
 - Proposed recommendations for dealing with ongoing performance issues, which will require the committee's ratification.
- 5.10 This will ensure that all formal decisions remain with the Performance and Finance Committee, as the formally constituted body, and that all matters discussed in the Chairman's Briefings are reported fully to the Committee, thus maintaining a high level of openness and transparency.

6. COMMITTEE MEETINGS

- 6.1 Meetings of Performance and Finance Committee will be held every quarter.
- 6.2 Chairman's Report - The first item on the agenda will be the Chairman's Report. It will identify the provenance of all items on the agenda, as well as issues considered for inclusion on the agenda, but where the Chairman considers that inclusion is not justified.
- 6.3 Members will make a decision whether to endorse the Chairman's decisions for the agenda. In practice, this should be a formality, as members of the committee would have been informed of the results of the Chairman's Briefings on a regular basis, and would have had an opportunity to comment on the agenda in advance.
- 6.4 Performance Issues – the second item on the agenda will be a verbal item. It will provide an opportunity for scrutiny performance leads to raise, formally, any performance-related issues which have come to their attention. Performance and Finance Committee would then decide what course of action they wished to take to resolve such situations – subject to the principles established at 4.1.
- 6.5 The rest of the agenda will be given over to substantive discussion of performance and finance issues. The Committee will consider:
- Background to the scorecard and relevant indicators
 - Reasons for poor performance

- Implications of continued poor performance
- Steps being put in place to improve performance
- Other bodies carrying out work to monitor performance
- Further steps necessary to monitor performance and deliver improvements.

6.6 In relation to finance issues, members will also consider:

- impact on financial risk areas
- impact on annual budget
- impact on other priority services

6.7 Portfolio holder attendance and service officer attendance – it may be useful for the committee to speak to the portfolio holder or to specific officers about a certain performance issue. However, officers and portfolio holders will not be invited to attend for general discussions or Q&As on undefined issues.

6.8 Reference report – the final item on the agenda will be a resolution to provide a summary of items discussed, and decisions made, to the next meeting of Overview and Scrutiny. This will be considered in more detail in the next section.

7. REFERENCE TO O&S AND FUTURE WORK

7.1 Reference report – the reference report will be drafted after the meeting, highlighting issues considered by Performance and Finance, to brief Overview and Scrutiny on work that has been carried out. It is also an opportunity for Performance and Finance to request that a challenge panel or other form of review be established to look at a particular issue.

7.2 The reference report will be submitted to the next available Overview and Scrutiny meeting. Overview and Scrutiny will then consider it, noting and endorsing (at their discretion) elements of it as requested, and as appropriate.

7.3 This ensures that Overview and Scrutiny is able to integrate its work with the valuable evidence being gathered by Performance and Finance – it also maintains Overview and Scrutiny's agreed role as the commissioning body for all scrutiny work being carried out outside of committee.

8. COMPLETION

8.1 Performance and Finance will not request, at committee, to receive a report on an issue at the next committee to "follow up", or further monitor. This ongoing monitoring is being carried out at the Chairman's Briefing, to ensure that time at committee is spent considering only matters which have been recently established as demonstrating poor performance – the principle of "exception" monitoring.

8.2 As a result, there will be no regular items, other than those identified above. This includes items on statutory matters such as health and the police, which will only be considered as necessary. However, at the Chairman's Briefings, such issues will be considered regularly, and where appropriate information can be provided to the relevant policy and performance leads to support other scrutiny work.

DIAGRAM SHOWING AGENDA PLANNING PROCESS FOR PERFORMANCE AND FINANCE

