



# **Report to the Partnership for Urban South Hampshire Overview and Scrutiny Committee**

**Date:** 23 October 2008

**Report of:** Stuart Jarvis, Managing Director

**Subject:** Emerging Performance Framework

## **SUMMARY**

Following the approval of the first PUSH Business Plan, and the related development of the South Hampshire Multi Area Agreement, PUSH needs to put in place a performance framework to measure progress against the objectives, priorities and targets set out in these documents. This report summarises the key principles behind the design of the emerging PUSH performance framework, to brief members of the Scrutiny and Overview Committee and provide an opportunity for the Committee to comment on the proposals at their formative stages.

## **RECOMMENDATION**

**That the Committee note the emerging Performance Framework, and offer comments on the proposed approach set out in this report.**

## INTRODUCTION

1. The PUSH Business Plan marked the adoption of a comprehensive set of targets and objectives for the Partnership, covering the main areas of PUSH activity. It is proposed that the Business Plan should be reviewed annually, to ensure that it is both up to date and continuously rolled forward. The Business Plan also envisaged the creation of four themed Delivery panels to oversee Performance, and advise the Joint Committee in each main theme area (economy, housing and planning, sustainability and Social Infrastructure and culture and quality of place). With the introduction of the Delivery Panels from 2009, it will clearly be important to ensure that a performance framework is in place to support their performance-monitoring role, as well as that of the Joint Committee and this Committee.
2. The negotiation, and approval of the South Hampshire Multi Area Agreement earlier this year further served to highlight the requirements for a clear and robust performance framework. Whilst the MAA is based upon the Business Plan, and therefore already widely covered by the developing business plan monitoring framework, there are nevertheless additional key milestones within the MAA, which also require formal monitoring and reporting.
3. In addition, Members will recall that PUSH submitted a "Programme of Delivery" as a requirement for the designation of South Hampshire as a New Growth Point, in 2007. This document also set out a series of milestones and targets, in particular focusing on housing delivery. Once again, many of the objectives and targets are incorporated into the Business Plan, but there is also a requirement for monitoring and reporting as part of the Growth Point initiative, and in this case performance has a direct relationship with future funding. There is a separate item on the agenda dealing with the 2008 Programme of Development submission, and therefore this report will not repeat the details, but it is important to note the Performance dimension to the Growth Point status and funding.
4. The importance of timely review of the Business Plan, and related documents has been brought sharply into focus in the current year, with the impact of the credit crunch and the market slow-down. These are likely to have a significant impact on short-term (1-3 year) targets for South Hampshire, and other Growth Areas, and it is important that this is recognised and built in to future reviews. The 2008 Growth Point submission makes it clear what impact the slowdown will have on housing delivery, and recommends new initiatives and public funding measures which need to be taken to maintain momentum in the current market context.
5. It can therefore be clearly seen that there is considerable scope for both duplication, and complexity in developing performance management for PUSH. Any system must satisfy the over-lapping, but differing emphasis and reporting timescales and requirements of the various externally driven initiatives such as New Growth Point, or the MAA, as well as meeting the fundamental requirements of the Partnership itself. The fundamental requirement of the PUSH performance management framework is to monitor performance and delivery against the objectives and milestones set out in the PUSH Business Plan. However the Business Plan sets out a very full list of targets and

objectives, which are likely to require some pruning to create a manageable set of indicators, focusing on the right strategic priority measures.

6. It is therefore proposed that a single, comprehensive Performance framework that can meet all monitoring and reporting requirements for the Partnership should be developed. In order to further guide the development of the performance management in PUSH, it is suggested that the following principles be adopted:-
- Data should only be collected once, and data sharing should be encouraged to facilitate this (e.g. for targets which are in both LAAs and the MAA);
  - A single, computer based database system should be adopted to support collation, analysis and reporting of performance data at all levels for PUSH, provided that efficient and fit for purpose software is available, and there is a clear business case to support it;
  - That a multi layered system of reporting be adopted, based primarily on the needs of the Joint Committee, this Committee, the Delivery Panels, and the various sub-groups, with each level receiving appropriate levels of detail, focusing attention on identification and explanation of 'exceptions';
  - That a risk based approach be adopted for prioritising action on reported exceptions, ensuring that resources and attention are focused on those performance exceptions which will have the greatest overall impact;
  - That the Performance Management system should be as light touch and efficient as possible, whilst providing timely, robust and comprehensive information.
7. The importance of timely review of PUSH targets, objectives and milestones has been brought sharply into focus in the current year, with the impact of the credit crunch and the market slow-down likely to have a significant impact on short-term targets for PUSH. Having drawn up its first Growth Point Programme and Business Plan at a time of economic growth, and agreed an MAA with ambitious economic targets as recently as the early summer, the change in economic circumstances is likely to have a significant impact on the deliverability of some of the PUSH targets. This is particularly evident in the 2008 New Growth Point submission, focussing, as the Government require, on housing delivery. It is therefore proposed that the Programme Board and, once established, the Delivery Panels should carry out regular performance monitoring, with half-yearly reports to the Joint Committee, and an annual Performance Report being published following scrutiny by this Committee. Exceptionally significant performance issues occurring outside this formal framework should be reported to the Joint Committee.

### **CONCLUSION & RECOMMENDATION**

8. It is considered essential to the proper management and accountability of the Partnership that it has a comprehensive and robust Performance Framework in place, with regular monitoring and established routine reporting. The report sets out guiding principles for the development of a proportionate, and appropriate

performance monitoring system, and these principles are commended to the Committee.

### **RECOMMENDATION**

9. That the Committee note the emerging Performance Framework, and offer comments on the proposed approach set out in this report.

**Background Papers:** - None

**Reference Papers:** PUSH programme of Delivery 2007  
PUSH programme of Delivery 2008  
PUSH Business Plan 2008  
South Hampshire Multi Area Agreement 2008

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