



Group Corporate Performance Management Policy

POLICY IMPLEMENTATION CHECKLIST	
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Author:	Business Performance Manager
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Diversity compliant:	Yes
Equality Impact Assessment required:	No
Data Protection compliant:	Yes
Health & Safety compliant:	N/A
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KPIs / reporting arrangements implemented:	Yes
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This document can also be provided in large print, braille, audio or other non-written format, and in a variety of languages.

1. Introduction

- 1.1 Caledonia Housing Association Group (“the Group”) recognises that having effective performance management arrangements in place is critical to the achievement of its strategic aims and business objectives.
- 1.2 The Group like other Scottish social housing organisations is faced with significant challenges in terms of managing the expectations of its diverse customer base, while continually improving its service offering and providing value for money, all within the context of economic and fiscal constraints, and regulatory and legal requirements.
- 1.3 The Group is fully committed to delivering sustainable, high quality services and this policy sets out the performance management arrangements deployed across the Group for achieving this commitment.

2. Policy Aims

- 2.1 The aims of this policy are to:
 - enable the Group to achieve its strategic aims and objectives through the development and embedding of effective and efficient performance management arrangements;
 - provide a performance management framework that will support departments, teams and individuals to achieve their assigned objectives using the ‘Golden Thread’ concept; and
 - Set out the various elements of the performance framework that enables performance to be managed in relation to meeting customer and other stakeholder group’s performance expectations.

3. The Importance of Performance Management to the Group

- 3.1 Performance management is defined as taking action in response to actual performance to make outcomes for customers and the wider public better than they would otherwise be. Performance management is integral to the Group’s overall operation in that it helps us to plan, monitor and manage delivery of our diverse range of services, and improve the quality of these where required. Effective performance management is important to the Group for a number of reasons:

Motivating Individuals

- 3.2 Individual members of staff need to know what is expected of them, and what part they play in the overall success of the Group. Effective performance management is about being positive and helping individuals excel at what they do best. The knowledge and skills competency framework has been embedded across the Group, and will assist the organisation to focus on the learning needs of individuals so that they can deliver the best services to their respective customers.

Improving Service Delivery

- 3.3 The Group must ensure its services are aligned with customer needs. Performance management provides the Group with a way of making decisions about where to focus resources depending on needs at any one time. Over time, relative measurements enable the extent of improvements to be assessed and inform whether efforts need to be made in particular areas.

Value for Money

3.4 The Group must also ensure that services are sustainable in both the short and long term whilst continuing to be as efficient and productive as possible in both front line service delivery and back-office support. Making clear links between resources and outcomes helps put our performance in context so that we can demonstrate we are delivering value for money as required by the Scottish Social Housing Charter (Outcome 13).

4. Performance Management Framework Components

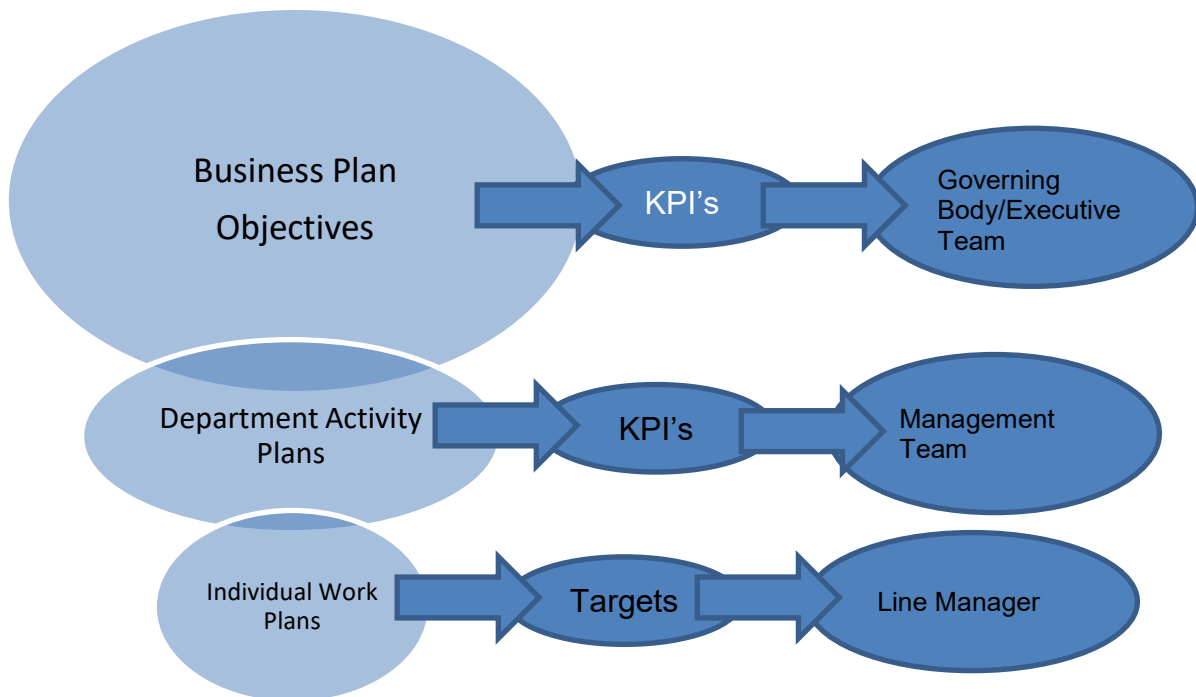
4.1 The Group performance management framework comprises the following performance driving components:

- Fully developed business planning process (based on SHR recommended practice guidance) that aligns workforce competencies and resources towards the achievement of the Group's strategic vision, objectives and aspirations;
- Robust financial planning processes, which ensure the Group is able to allocate the necessary resources required for effective service delivery;
- An embedded risk management approach that is able to identify and address current and emerging risks that have the potential to prevent the Group achieving its strategic objectives;
- Detailed performance scorecards that ensure the Group is able to measure, manage and report performance across a range of service delivery areas/activities and demonstrate progress against the 14 Scottish Social Housing Charter outcomes;
- Established performance challenge and review arrangements that include the use of performance benchmarking, rigorous performance reporting arrangements to a range of internal and external stakeholders (including Group governing & customer scrutiny bodies), and annual performance reviews to ensure performance measures remain fit-for-purpose; and
- Personal performance management and development arrangements that provide the means for valuing Group staff and creating a working environment that acknowledges their contribution towards achieving Group strategic objectives, and builds capacity to ensure organisational effectiveness.

4.2 The combining of these individual components ensures the Group has an effective performance management framework (summarised in the diagram below) that helps to drive performance at the strategic and operational levels within the organisation, achieving the three principal aims of this policy document.

4.3 The most important element of this framework is the Group Business Plan. This sets out the common business strategy for the Associations within the Group and links this to local operational priorities for each Association.

4.4 The Group business strategy is developed collaboratively between the governing bodies within the Group and the Caledonia Tenant Scrutiny Panel, and is also subject to detailed consultation and consideration with the wider staff team. The strategic objectives that flow from the strategy provide the foundation for the performance framework and ensure it reflects and encompasses broader business needs.



- 4.5 A suite of performance measures directly aligns with the strategic objectives and provides structure to a range of indicators and associated targets. These measures also ensure that performance against the outcomes and standards detailed in the Scottish Social Housing Charter can be clearly tracked, measured and demonstrated. Furthermore, department based activity plans detail the actions that will be progressed at team level to ensure the successful implementation of the strategic objectives. These in turn are cascaded to work plans of individual team members, ensuring a clear link between strategic objectives and the work of all staff across the Group.
- 4.6 Performance monitoring and reporting is implemented through a tiered approach. Progress against Business Plan activities and associated targets is reported to and scrutinised by the governing bodies for each Association on a quarterly basis. Concurrently, a Business Performance Scorecard is also presented for consideration. This comprises key service and organisational performance indicators (including the relevant Charter Indicators). Progress is tracked against specified annual targets, and relevant trend and benchmark figures. The governing bodies also receive a separate quarterly analysis of complaints and compliments for their respective Association. The Executive Management Team reviews all relevant performance information in advance of the governing body meetings.
- 4.7 Additional service, team and function specific indicators, are also monitored and reported internally. The Operational Management Team undertakes a monthly review of these indicators, which include all organisational indicators that appear in the Business Performance Scorecard. Any identified performance issues are highlighted to the Executive Management Team for further consideration. Performance outcomes are also reviewed and considered at team and individual levels, with information on performance across the Group made available to all team members.
- 5. Group Strategic Perspective & Measures**
- 5.1 Listed in the table below are the Group strategic objectives and the related performance management measures/activities that contribute to the achievement of each objective:

TABLE 1

Strategic Objective	Measures
Achieving Excellence	Equalities; Communication; Participation; Quality of housing; Repairs, maintenance and improvements; Estate management and tenancy disputes; Housing options; Access to social housing; Tenancy sustainment; Value for money; Rents and service charges; Customer satisfaction; Employee engagement; Learning and development.
Business Success	Governance actions; Financial management; Risk management; Health and safety; Provision of new homes.
Creating Innovation	Service development and improvement.

6. Building a Performance Culture Through Inspired Leadership

- 6.1 The Group acknowledges that effective management of performance, combined with strong and inspirational leadership has the potential to create a highly motivated workforce. In turn, an environment where success is celebrated and challenges are tackled proactively and positively can encourage innovation and lead to team and individual excellence,
- 6.2 The Group performance management framework puts service delivery at the pinnacle of a strong underpinning system of support and leadership. Every member of staff will be supported to evaluate how their contribution is reflected in overall organisational performance. This broad understanding of performance management will assist in efforts to promote transparency, both internally and externally, on how well we are delivering services.

7. Roles & Responsibilities for Performance Management

Governing Bodies

- 7.1 Driving a culture of performance that enables it to demonstrate overall accountability for organisational performance.

Chief Executive

- 7.2 Overall statutory responsibility for the quality of service delivery, governance and performance management with accountability to the Group Governing Bodies.

Executive Management Team and Operational Managers

- 7.3 Responsible for developing embedding and maintaining performance management arrangements in their area of service/function and ensuring a consistent approach which satisfies the needs of regulators, customers and other stakeholders.

All Staff

- 7.4 All staff contribute towards performance improvement and management by being encouraged and supported to identify improvement opportunities and to take the required action. It is important that staff understand how their contribution translates to the corporate performance of their area of service/function and the Group as a whole.

8. Policy Communication

- 8.1 The Group governing bodies recognise the importance of ensuring staff are fully apprised of current performance arrangements and outcomes. All staff will therefore:
- Be encouraged to raise issues relating to performance management arrangements and performance with their line manager and/or through existing management communication structures;

- Be able to view performance related information on the corporate intranet. This includes governing body quarterly performance management reports, staff and customer newsletters, annual performance reports, organisational and departmental activity plans and KPI scorecards; and
- Receive information at formal updates such as department/team meetings, and through other informal channels in respect of any changes to the performance management arrangements.

9. Monitoring and Review of this Policy

- 9.1 This policy will be reviewed every three years to ensure that the Group performance management framework remains fully effective in regards to driving service performance and quality.