

**REPORT TO: BEST VALUE PERFORMANCE AND EFFICIENCY SUB-COMMITTEE -
16 DECEMBER 2009**

REPORT ON: PUBLIC SECTOR IMPROVEMENT FRAMEWORK

REPORT BY: ASSISTANT CHIEF EXECUTIVE

REPORT NO: 632-2008

1. PURPOSE OF REPORT

To recommend the Council adopts the Public Sector Improvement Framework as its approach to self assessment to deliver continuous improvement.

2. RECOMMENDATIONS

- 2.1 Dundee City Council joins the Public Sector Improvement Framework, which is managed by the Improvement Service and supported by Quality Scotland.

3. FINANCIAL IMPLICATIONS

There will be an upfront cost in joining the Public Sector Improvement Framework as the minimum standard is having two qualified assessors (3 day exam pass course) and buying into a new on-line questionnaire tool from Quality Scotland. The training courses are £735 each and the initial cost of the online software is £4,500. Departments already train assessment teams as part of their continuous improvements.

4. BACKGROUND

- 4.1 The Public Sector Improvement Framework (PSIF) is being developed by the Improvement Service and Quality Scotland to meet the needs of local authorities using a self assessment model. It is the EFQM model that the Council is used to and includes an approved question set incorporating Investors in People, Charter Mark and Balanced Scorecard. The Improvement Service are in active discussion with the various scrutiny and regulatory bodies to reach an agreement that using the PSIF as a self assessment process will reduce external scrutiny burdens as part of the Crerar Review.
- 4.2 The Corporate Planning Department's service plan contained an action to review the corporate approach to self assessment. The main options are continuing with the EFQM model as we currently use it, move to the Balanced Scorecard, create a new bespoke Dundee self assessment model or adopt the PSIF. A meeting was held with representatives from all departments on 30 May 2008 to consider a presentation by Colin Mair, Chief Executive of the Improvement Service, and representative from Investors in People about the Public Sector Improvement Framework. Feedback from participants at that meeting suggested that adopting the PSIF made sense given its similarity to the EFQM model and the ability to benefit from national negotiations between the Improvement Service and regulatory bodies.
- 4.3 All departments of the Council have some experience of conducting an EFQM self assessment and a corporate self assessment has been completed on a number of occasions and most recently in 2007 in preparation for the Council Plan. The existing policy is that each department can determine how it conducts its own self assessment using the EFQM model as long as at least one assessment is complete in a 4 year administration term cycle. The Council is a member of Quality Scotland and licences the Pathways on-line questionnaire from Quality Scotland. This means there is very

little central support and departments are encouraged to access the support they need from Quality Scotland.

- 4.4 In adopting the PSIF, a more structured corporate approach maybe required to the management of the self assessment process. The Crerar Review set as one of its objectives to reduce the burden of external scrutiny on local authorities. The aim was to move to outcome focussed self assessment and the responsibility held by service managers in organisation and not external scrutineers. A Burdens Reduction Working Group is meeting as part of this process and the Improvement Service, SOLACE and COSLA are all engaged in this. Although the outcome of this is not yet clear, it is thought that the adoption of a robust self assessment process by a local authority will be a key strategy in reducing the external scrutiny burden.
- 4.5 There are a number of national initiatives that the PSIF will align with. Account will be taken of the Single Outcome Agreement, efficiency, (lean) system thinking and other issues arising from the concordat between local and central government In developing the Council's approach to the conducting self assessments.
- 4.6 An explicit and urgent issue will be the Council's preparation for Best Value 2 (BV2). It is understood that this may be based around one or two of the Council's top priority outcomes as expressed in the Single Outcome Agreement and assessing it in accordance with the PSIF. For example, this would consider the results, the key processes that deliver those results, and how they are supported by resources, policy and strategy and leadership.

4.7 **Continuous Improvement and Quality Management**

The fundamental point of adopting a self assessment framework is the self motivated desire to pursue excellence and this is defined as achieving continuous improvement in the performance of the organisation. EFQM was based on modelling those organisations that achieved high levels of continuous improvement and it showed that they had three fundamental behaviours:

- excellent organisations measure their performance rigorously to identify areas for improvement including using trends and comparisons
- excellent organisations understand their key processes and have a sound approach to continuously improving them
- excellent organisations develop clear leadership around performance management and process improvement

- 4.8 The Council has already embarked on a review of its own performance management which is underpinned by the development of outcome agreements and the review taking place around the future of the statutory performance indicators. The outcome indicators and measures in departments' own service plans become the focus of the results aspect of the self assessment. The Council is also pursuing continuous improvement through lean system thinking and process mapping and this fits neatly into the PSIF self assessment process which pivots around an analysis of key processes.

The remainder of the PSIF deals with issues such as the:

- measurement of customer satisfaction
- the realignment of resources including the budget, assets and information with the key processes
- key performance results

- the development of policy and strategy including issues such as consultation, engagement with stakeholders and preparing for the future
- the human resource plan.

The PSIF framework is attached in Appendix 1 along with a diagram showing the self assessment process and an indication of the costs over three years as suggested by the PSIF board.

5. **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management. There are no issues to report.

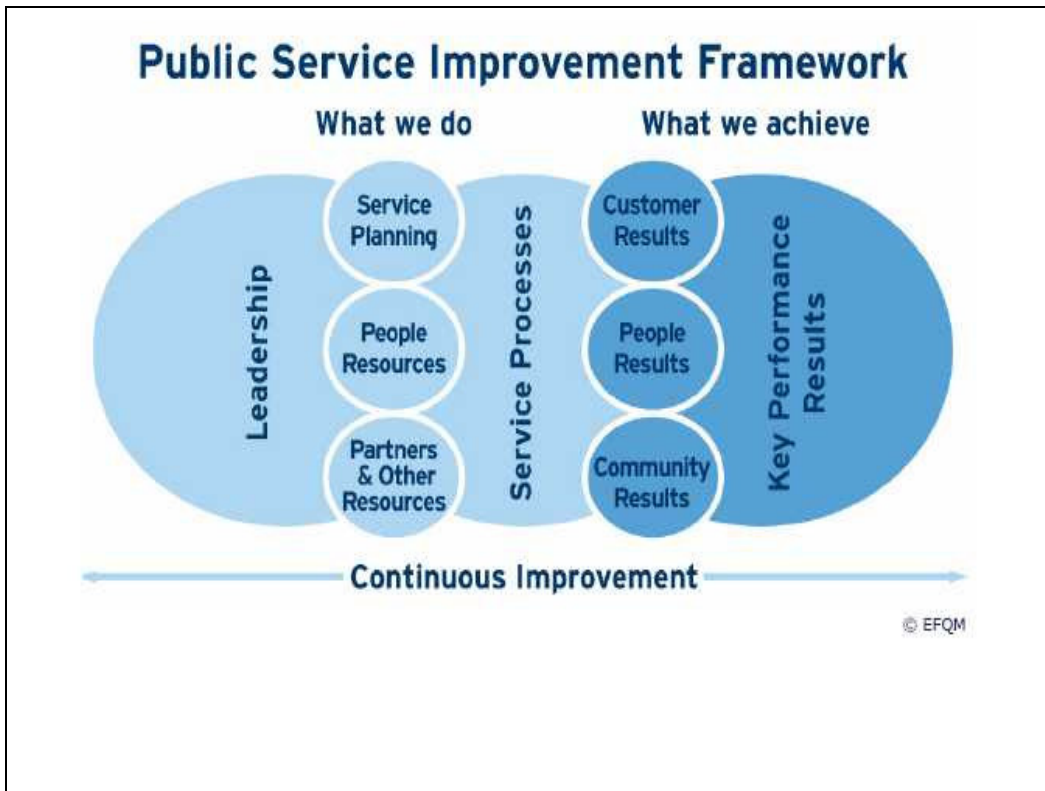
6. **CONSULTATIONS**

Staff from all departments that had previous involvement in EFQM assessments have been consulted on the contents of this report.

Chris Ward
Assistant Chief Executive

10/12/2008

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