REPORT TO: AUDIT & PERFORMANCE COMMITTEE – 16 DECEMBER 2009

SUBJECT: PUBLIC SERVICE IMPROVEMENT FRAMEWORK (PSIF) - UPDATE

BY: CHIEF EXECUTIVE

1. REASON FOR REPORT

1.1 Audit & Performance Committee are asked to consider the progress to date on the implementation of PSIF within the Council and a number of national developments which are supporting councils signed up to using PSIF.

2. RECOMMENDATION

2.1 The Audit & Performance Committee are asked to scrutinise the performance to date to scrutinise the developments of the PSIF programme.

3. Provide a brief introduction to the project / area of work / strategy

3.1 The Public Services Improvement Framework (PSIF) is based on the European Framework for Quality Management (EFQM). West Lothian developed the framework to incorporate a number of quality management initiatives into one framework.

3.2 In order for PSIF to be use by other organisations, the Improvement Service Scotland developed it from the West Lothian model in conjunction with the European Foundation for Quality Management (EFQM), Investors In People (IIP), and Customer Service Excellence (CSE, Formally Charter Mark). These external bodies have approved the framework.

3.3 Further, a number of Government audit bodies have also been involved with the development of PSIF to incorporate their own audit frameworks within it. The PSIF has been approved by Best Value 2, SWIA and is being assessed by HMIE. The approval means that once a PSIF Self Assessment has been completed the auditors will be able to operate a ‘light touch’ review using the evidence gathered and action plans produced using PSIF to conduct the audit.

3.4 The Moray Council has used EFQM self-evaluation in various services in the Moray Council for several years. In October 2008 The Moray Council joined the second wave of public sector bodies to implement the PSIF as a means to self assess their services.

3.5 To progress with the project, PSIF has been accepted as one of the strands which supports Moray Performs, the over arching structure which will link strategic objectives and national and local outcomes with key policy documents.

3.6 Prior to introducing it to services, training of assessors was undertaken. Currently there are 8 trained assessors.

3.7 As an introduction to PSIF, two pilot assessments, Development Services and the Corporate Policy Unit, were undertaken. The process for a service to undertake PSIF, based on the lessons learned from the pilot services, is as follows:-

- Briefing the management team to be assessed
- Briefing to whole team being assessed
- Selection of assessment team
- Training of assessment team
- Self Assessment activity by teams, recording evidence and scoring
- Facilitated consensus day
- Final Self Assessment report to manager
- Action Planning
- Feedback to assessment teams
- Tracking progress against actions

3.8 Following the pilot assessments, the Moray Performs Board agreed to roll out the programme for all service areas over a two-year period.

4. What was the objective of the project / area of work / strategy

4.1 During 2007 Quality Scotland and the Scottish Government introduced the Public Service Improvement Framework (PSIF) as a potential for public bodies to conduct self assessments so allowing for a light touch audit process based upon recommendations in the Crerar Report. Five bodies including Fire and Rescue services and local councils trialled the model. This model was based on 6 years of work by the West Lothian Council and Quality Scotland.

4.2 In 2008 further bodies where invited to join the second wave of its introduction and so far 25 local authorities are going through the PSIF process. The Fire and Rescue Service have introduced the PSIF framework and the Police service a very similar framework across all divisions. The NHS is still reviewing the approach to see how they could deploy such an improvement process.

5. What timescales applied

5.1 A high level roll-out plan has been developed. The programme began in April 2009 with a slow start up due to the need to increase the number of qualified EFQM assessors to facilitate and support the programme. All assessors are now in place and the programmed assessments are being undertaken.

5.2 To complete all self assessments over the next two years will require a considerable commitment by the services as follows:-

i) The service senior manager will fully support the PSIF self-assessment to their managers and staff.
ii) A lead officer will be nominated for each service who is authorised to ensure the time-scales for the roll-out are met.
iii) The service management will release staff nominated to carry out the self-assessment with sufficient time to ensure the outcomes are effective. This could be 3-6 days during an evidence gathering 3-week period. Each team will be 6-12 people depending on the size of the overall service team. In addition there will be team briefings and two half days to reach consensus.
iv) The Service management will encourage all staff in the service to support the assessment team and ensure the outputs reflect as wide a view of the service as possible.
v) Once the final report is produced and agreed the service management will develop an action plan by involving their people which addresses any development areas and which will be incorporated into Service Improvement Plans and reviewed by the Service Development Group Annually. These actions to have clear milestones and outcomes defined.

5.3 To ensure progress is being made on continuous improvement within the services, it is suggested that yearly self assessments take place on the areas identified for improvement only in between the main self-assessments.

6. Did we complete the objective or is progress against the objective remaining within expected timescales, providing reasons for slippage and details of subsequent resulting actions

6.1 **Pilot Assessments** - Self assessments were piloted within the Corporate Policy Unit and Development Services. Both completed their assessments and their action plan to address the improvement areas identified.

6.2 **Current Assessments** - The next assessments, Housing Management and Catering and Cleaning, have been completed and service improvement plans are being developed.

6.3 Assessments are currently underway with Personnel, Estates and Trading Standards.

6.4 Management briefings for the next group of services have begun with a target to complete these assessments by the end of the year. These services are:

- Property Management
- Roads Management
- Waste Management
- Criminal Justice
- Lands and Parks and Countryside
- ICT
- Members Support and Chief Executive Administration
- Building Standards
- Harbours

6.5 As each group of services undergo the self assessment process the senior managers from the next group to be assessed 3 months hence will be invited to the various briefing sessions and consensus days to allow them to shadow the process and understand what the impact will be for their service and people.

7. Is there evidence, where available, to support the impact of the achieving or progressing the project / area of work / strategy

7.1 The key points learned from the pilots are:-

i) Each self assessment should be service based and not organisational based.
ii) The initial briefing to staff must have full support by management by means of a clear commitment to PSIF and how it will be used by the service to initiate improvement.
iii) There needs to be a clear link between PSIF and the other major projects being undertaken by the council, especially, Performance Management Framework, Designing Better Services and the Single Outcome Agreement.
iv) An improved guide to interpreting the questions is required so that the assessment teams can work through them more quickly without a debate on interpreting the question first.
v) A review of the assessment process by the pilot teams has shown that each service needs a clear definition of the service being assessed to identify customers, stakeholders, partners, inputs and outputs for the assessment team to use.
vi) Access at all times to a qualified PSIF support officer to help during the data gathering process.
vii) Ensure that each assessment team has representation from each level of the service organisation to gather a full picture of the evidence and deployment.
viii) Focus the training less on the e-tool and more on the use and interpretation of the questions in the framework.

7.2 To support the ongoing monitoring of the programme and to provide a facility to share best practise a score card is being developed. It will be possible when completed to drill down to the lower levels of the assessment framework and link the results to action plans and the evidence.

7.3 To support the sharing of information and reduce duplication an evidence portal is being developed for the Senior Managers Information site. This will hold or have links to all evidence gathered during a self assessment by a service and will make a light touch audit possible by the various bodies involved. It will also ensure that documents are current and shared as required.

7.4 Once the assessment is complete and reported back the assessment teams will be asked to evaluate the process on what worked, what did not work, what needs to be added, time involved etc.

7.5 Arising from the self -assessments it is proposed that two types of reports are submitted to the Moray Performs Board. The first is the overall trends being identified to enable the Board to undertake action to address corporate improvements. The second is a report on service improvements arising out of their assessments.

7.6 From the assessments conducted to date there are a number of key themes which can be seen as opportunities for improvement to be addressed corporately. These trends will be addressed through the Moray Performs Board.

7.7 **<u>Overall trends</u>** -.

7.8 In addition to the individual assessment improvements, similar areas for improvement have been highlighted in a number of the assessments so far. Many of these areas are already addressed within the Moray Performs Action Plan. These improvements trends are:

<u>Communities</u> – Although there are internal perceptions that the wider community has a mixed view of the performance of the council in general, there are no measures in place to assess the reality of that perception and most of it is provided by press comment and articles. Apart from continuing to deliver as good a service as they can individual services cannot have a great deal of impact on this general community perception. West Lothian Council have also experienced this and although each service score within PSIF will be poor in this area they have taken the action at a corporate level much as Moray is doing under the community engagement activity.

<u>Customer</u> – Some services have a good understanding of their customers. A better understanding of what the customer expects and how well we deliver against that expectation is required.

<u>Leadership</u> – Good management exists in a number of areas assessed. However involvement of staff is limited and there is reliance on a cascade

principle At the operational level there are many service areas that have no ability to relate what they do to the corporate plan or community objectives.

Staff recognition – At the service level managers need to be more aware of the benefits of thanks and congratulations for jobs well done, assessing staff needs through proper individual assessments and providing development opportunities for officers.

7.9 **Service Action Plans Reporting Framework** - A key requirement from the PSIF process is the production and delivery of action plans to address prioritised weaknesses in the services. These will be part of and included within the services existing Service Improvement Plans and reported in the normal way via the Performance Reporting structure. In addition Moray Performs Board will monitor the progress against the action plans

8 NATIONAL DEVELOPMENTS

8.1 In addition to the developments within the Council, the committee needs to be aware that this is a national project and developments are taking place at that level which will influence how the council implements PSIF over the years. Some of the current national developments are listed below.

8.2 **Corporate Assessments** - A number of authorities have conducted a Corporate Assessment with the senior management team conducting a self assessment of their strengths and weaknesses. Carrying out a corporate assessment sends a clear message of support for the self assessment process itself and also provides an action plan to develop the corporate process itself.

8.3 Of the models used by different authorities the one using a reduced question set focussing on the criteria over which the senior team can have influence is preferred.

8.4 The Board agreed to give consideration to a corporate self assessment after addressing preparation for the best value 2 audit requirements

8.5 **National Portal** - In absence of a national development a local portal for the capture and presentation of evidence from the PSIF assessments has been developed using the SMI site. Opening access to a wider group has now been evaluated and it is proposed to start populating with the evidence gathered to date.

8.6 However following a recent discussion at SOLACE on the construction of a web-based portal to hold and share data for inspectorate, it was agreed that South Lanarkshire Council will create the portal, building on the local work carried out over the past year or so. It may take another year to fully develop the portal.

8.7 This development is still in its infancy but could provide a better solution from the point of view of the auditors, local authorities and the public. In the meantime, the council will continue with populating our own portal with a view to transferring the evidence at a later date to the central portal.

8.8 **<u>Customer Satisfaction Question Bank Pilot</u>** - Pilots of a consistent approach to how councils measure customer satisfaction and experience of local government services have begun. During September and October 2009 6 councils piloted a new standard, the customer service question bank, across a range of services and using differing methodologies to check its fitness for purposes. Following the evaluation of the pilots, it is intended to launch the question bank more widely at the end of 2009.

8.9 The Customer Satisfaction Question Bank is:

- A set of tried and tested questions
- A defined answer scale
- Based around five key drivers of customer satisfaction: delivery, timeliness, information, professionalism and staff attitude as identified by MORI in a 2004 report.

8.10 This question bank will assist Councils is assessing customer perception on individual service areas. Therefore Moray Council will develop the use of the question bank as part of corporately supporting PSIF within services.

8.11 **<u>PSIF Quality Assurance</u>** - In April, the PSIF Operational Board agreed the importance of establishing an effective quality assurance methodology for PSIF. In May the High Level Advisory Group agreed to give priority to developing a robust quality assurance methodology that is predicated on a more formalised and standardised bureaucracy and scrutiny for PSIF organisations.

8.12 Since the adoption of PSIF by a number of councils, there is concern that the rigour behind the self-assessments may be compromised and that they may not provide the standard of scrutiny expected to meet audit expectations. This is particularly relevant for those PSIF organisations, such as Moray, who are at the start of the PSIF implementation and it is highlighted that these organisations may not be yet fully mature in their use of the framework to have identified suitably robust internal scrutiny measures,.

8.13 Given this, there is potentially now risk to individual PSIF organisations in the wider PSIF partnership that there could be variances in the robustness of the processes in place for implementing PSIF, particularly in relation to the scoring of assessments, the information being provided as evidence for assessments and the effectiveness of improvement plan. This may in turn result in individual organisations not realising the full benefits of PSIF with potential risks for the delivery of service improvements and ultimately the delivery of customer outcomes.

4.1 There are three stages proposed for quality assurance: Benchmarking, peer support/critical friend support and external accreditation. There are a number of proposals being considered nationally for each stage and further developments will be reported back to the Moray Performs Board for consideration.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Development Plan/Community Plan/Service Improvement Plan
The Moray Council requires to develop a continuous improvement framework to meet the Best Value legislation and prepare for the Best Value 2 audit. There is a requirement to reduce the burden of Audits and PSIF has the potential to do this.

(b) Policy and Legal
There are no policy or legal implications though could reduce the burden of audits on the Moray Council.

(c) Resources (Financial, Risks, Staffing and Property)
Eight qualified assessors are now in place within the Corporate Policy Unit and conducting assessments.

In relation to the national portal South Lanarkshire is prepared to fund a one-off spend to develop the portal if there is sufficient interest from others to share the cost. The site will thereafter be maintained by South Lanarkshire Council. The cost to Moray would be £1,750 with South Lanarkshire Council taking the risk of under subscription. A similar allocation process would be needed for maintenance on an ongoing basis but the costs are likely to be only one tenth of the one-off set up. Simple governance can be built around SOLACE Executive Committee members sitting as a governance ‘board’ with South Lanarkshire Council.

(d) Consultations
There has been consultation with Bob Stewart, who is the Corporate Management Team lead for PSIF.

5. CONCLUSION

5.1 The Moray Council has adopted the PSIF framework to reduce the burden of audits, develop a continuous improvement culture and facilitate the outcomes of the Single Outcome Agreement. This report highlights the progress of those assessments and the key themes which are coming from them. The progress has been good on the assessments and now production and delivery of the service improvement action plans needs to take a focus and be delivered.

5.2 In addition there are a number of national developments taking place to support PSIF within council.

Author of Report: Bridget Mustard, Corporate Policy Unit Manager
Background Papers: Reports to Moray Performs Board
Ref: Moray Performs Board minutes.