

## Overview & Scrutiny Committee

<b>Date</b>	29 January 2024
<b>Report title</b>	Performance monitoring against the Annual Business Plan Deliverables
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<b>Report has been considered by</b>	Executive Board – 17 January 2024

### Recommendation(s) for action or decision:

#### The Overview & Scrutiny Committee is recommended to:

- (1) Endorse the approach on how the WMCA monitors the Annual Business Plan and the assurances it provides to manage performance.
- (2) Consider any areas of interest that could form part of members future work programme.

### 1. Purpose

- 1.1 This paper sets out context to the monitoring and reporting of the Annual Business Plan and provides year to date performance including trends and comparisons. This aims to provide OSC with assurance of the reporting process and Executive Board responses taken towards slippage.

### 2. Background

- 2.1 There have been two successive integrated Annual Business Plans and budgets; we have commenced the process for the third in September 2023. This is a vital link in the 'golden thread' between the WMCA Aims and Objectives, through Directorate and team plans and into the Individual Performance Management (IPM) goals of employees across the organisation. The Annual Business Plan sets out all activity to be delivered in-year aligned to those aims and objectives. We not only detail capital project activity but business as usual and the resourcing (both financial and people) to deliver a balanced budget.

- 2.2 Yearly activity is measured by performance indicators currently called High Level Deliverables (HLD) and from those a number of Key Performance Indicators (KPIs) have been identified. Performance is reported to the Executive Board monthly through a visually rich Power BI dashboard that triangulates against the Strategic Risk Register and capital spend. There is also an exception report detailing the mitigation commentary for any indicator that is amber or red to enable the Executive Board to make evidence based decisions.
- 2.3 This process along with the reports provided to Executive Board were reviewed by Grant Thornton (our external auditors) in their Annual Review (2023) and no recommendations were made for improvement.

### **3. Performance Monitoring of the Annual Business Plan**

- 3.1 In this financial year there are 127 HLDs/KPIs, beneath these are SMART milestones that provide granular detail and are profiled over the course of the year with measures and targets. Milestones for each HLD/KPI are weighted accordingly on importance. If the indicator is measuring a capital based project the associated milestones are often transferred to the next financial year so activity can continue to be monitored and if necessary, performance improvements can be made.
- 3.2 It was agreed at last Septembers OSC meeting that performance against the Annual Business Plan will be shared twice yearly with members. The aim is to provide members with assurance of Executive Board responses particularly to red and amber indicators.

### **4. Annual Business Plan assurance and Q3 trends and performance**

- 4.1 At the end of Q3, 429 milestones were updated by Points of Contact (PoC) into the Power BI reporting app contributing to the overall performance. The Performance Team quality assures this data and work closely with the PoC to ensure they are inputting correctly into the system. For assurance purposes red and amber KPI/HLD performance is sent to all PoC and respective Executive Directors in advance of the Executive Board meeting to ensure the data and milestone commentary is accurate before it is shared.
- 4.2 To be confident the information provided to Executive Board adequately reflects all the key performance issues we face as an organisation the Performance Manager continues to embed a performance management culture across the WMCA. This includes encouraging the consistent use of the Power BI dashboards, engaging with directorate management teams so that they understand the performance roadmap and cascading performance data with key stakeholders to improve its visibility and transparency.
- 4.3 The Performance journey through this financial year is detailed in appendix 1, which shows indicator RAG rating by each quarter and month. This information highlights 115 indicators remained on track by the end of Q1 and only 3 were amber. This positive trend continues into Q2, although there are now 11 red and amber indicators. By Q3, 106 indicators remained on track and 14 had a red and amber RAG status. This increase is to be expected because performance is calculated cumulatively through the year and compared to the same period last year it shows an improvement, where 23 red and amber indicators were reported to the Executive Board.

4.4 A breakdown of Q3 performance is shown in greater detail below:

Indicator	Completed	RAG Status			Total
KPI	1	26	2	1	30
HLD	6	80	8	3	97
<b>Total</b>	<b>7</b>	<b>106</b>	<b>10</b>	<b>4</b>	<b>127</b>

Of the 14 red and amber indicators the Executive Board are reviewing the performance commentary to see if further mitigations are needed through their monthly meetings. These discussions focus on supporting delivery teams to resolve resourcing issues, re-assessing the impact of changes to government policy and acknowledging the implications of governmental delays on projects and programmes.

4.5 For a more in-depth analysis of Q3 Annual Business Plan performance OSC are encouraged to look at appendix 2, which details the 14 red and amber indicators with mitigation commentary.

## 5. Strategic Aims and Objectives

5.1 This report is aligned to strategic aim 6, which is to develop our organisation and be a good regional partner. To help achieve this aim it is important to monitor performance against the Annual Business Plan to detail what we are going to deliver as we work towards our vision of making the West Midlands one of the fairest, greenest, and best-connected places to live and work.

## 6. Financial Implications

6.1 There are no direct financial implications because of the recommendations in this report. Monitoring throughout the year suggests that slippages in the capital budget have not significantly impacted the delivery of the HLDs/KPIs. Similarly under-spends against the revenue budget, particularly in relation to resource and external advice, have not had a material impact on the ability to meet delivery targets.

## 7. Legal Implications

7.1 There are no legal implications to note.

## 8. Single Assurance Framework Implications

8.1 There are no Single Assurance Framework Implications to note.

## 9. Equalities Implications

9.1 There are no equalities implications to note.

## 10. Inclusive Growth Implications

10.1 There are no Inclusive Growth implications to note.

## **11. Geographical Area of Reports Implications**

11.1 There are no Geographical Area of Reports implications to note.

## **12. Other Implications**

12.1 There are no other implications to note.

## **13. Schedule of Background Papers**

- Appendix 1 - RAG status trend 2023/2024
- Appendix 2 – Q3 performance by exception and mitigation commentary