



COUNCIL OF EUROPE CONSEIL DE L'EUROPE

**TOOLKIT IV
ON
STRATEGIC MUNICIPAL PLANNING AND
PERFORMANCE MANAGEMENT
AT LOCAL LEVEL**

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INTRODUCTION TO THE TOOLKIT

A Strategic Municipal Plan (sometimes referred to as a 'Community Strategy' or 'Community Plan') sets out the vision and ambitions (aims and objectives) of the Municipality for the medium-term future. In preparing a Strategic Municipal Plan the Municipality has taken care to establish a clear understanding of what local people and other key stakeholders want, what is achievable given the resources and assets of the Municipality and the overall municipal vision to be met. Such vision of the Municipality and related goals and objectives are supported by programmes and projects which will enable ambitions to be realised.

However, it is clearly not sufficient just to set out this ambition in a Strategic Municipal Plan, since it has been developed to be implemented. It is therefore vital to manage performance in achieving effective results and making sure that the goals and objectives highlighted in the Strategic Municipal Plan will be successfully met. This requires establishing a systematic approach towards identifying, collecting and using performance data to monitor the achievement of targets and milestones in the Strategic Municipal Plan.

This Toolkit (the fourth issued by the Centre of Expertise for Local Government Reform) outlines the steps and actions involved in developing a municipal vision and Strategic Plan as well as the related performance indicators to be developed to make sure that such a plan is successfully implemented and foreseen objectives met. The Toolkit is based on the conclusions and data collected thanks to Strategic Municipal Planning and Performance Management Programmes implemented by the Council of Europe in Albania, Armenia, Georgia as well as Serbia in some cases, with the participation of French pilot municipalities and with the support of the respective National Association of Local Authorities as well as various international stakeholders, in particular the OSCE Presence in Albania, the Open Society Institute (Local Government and Public Service Reform Initiative) and the Norwegian Association of Municipalities and Regions (KS).

Their purpose was and is to provide a framework to help enable the pilot authorities on the programme to work with their residents, businesses and other local stakeholders in developing a Community Plan. All these authorities have followed the steps set out in this Toolkit.

This Toolkit is first focusing on Strategic Municipal Planning and then on performance management mechanisms. Examples of good practices as well as related planning and performance tools to be used individually or in peers also available in Appendices.

Local authorities throughout Europe are invited to adapt these tools to their situation and need and to make the best possible use of them. This Toolkit or part of it can be used autonomously by municipalities subject to agreement with the Council of Europe which has copyright on it. However, for best results, the Centre of Expertise can be asked (within the limits of its resources) to guide, supervise and/or ensure the quality of the process.

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**TOOL ON
STRATEGIC MUNICIPAL PLANNING**

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Section 1 - Introduction to Strategic Municipal Planning

I. Purpose and content of the tool on Strategic Municipal Planning

Purpose

This chapter of the Toolkit is on Strategic Municipal Planning. It provides guidance on how to develop a Strategic Municipal Plan (sometimes referred to as a 'Community Strategy' or 'Community Plan'), based on a five step process. It includes supporting exercises and practical examples from pilot programmes in Albania and Georgia from 2007 to 2010. It also includes an outline guide to Strategic Municipal Planning, based on the National Guide developed for Albania, with the involvement of the Council of Europe.

Context: why a Strategic Municipal Plan?

Local Municipalities need to plan for their community's future. Not through old fashioned top down planning carried out within the local authority but rather by a process that at its heart involves local people who share with the Municipality in developing a Strategic Municipal Plan to address community needs and aspirations over the longer term.

The Municipality needs to facilitate the development of a Strategic Municipal Plan for two practical reasons.

First, Municipalities as democratic institutions are accountable to their electorate and the wider community for the quality of the services that they provide. They have a responsibility to design and deliver services that are efficiently run and appropriate to the needs of their local population. A Strategic Municipal Plan will enable them to better understand how to improve and tailor local services to reflect the needs and aspirations of local people, as well as achieve better value for the resources that they spend.

Second, they have a wider responsibility to promote the economic, social and environmental well-being of their communities in a context of constant change. In particular, Central and Eastern European countries have gone through significant economic and social transition. Being open to trade, capital and investment movements with the rest of the world has brought significant benefits to the growth of their economies. However, it has left a legacy of challenges for local communities, even 20 years on. Old heavy manufacturing plants closed in great numbers as they were uncompetitive in world markets. Agricultural products produced to meet demand within the closed economy of the former Soviet Union, were uncompetitive in world markets. New solutions are being found at national, regional and local levels to the economic and social challenges that these structural changes present. Global to local change is also reflected in the environment, as both the consequences of and solutions to climate change impact on local communities. Demographic change is affecting communities through migration, often from rural areas to cities or abroad, and through ageing populations. In addition, citizens have growing expectations about the quality and relevance of services that are delivered by municipalities.

In this complex and increasingly inter-dependent world, it is recognised that old approaches of central or *ad hoc* planning are no longer appropriate. If Municipalities are to address the aspirations of their citizens and respond to the wider challenges that they face, it is important that they develop new approaches to plan a way forward for their Municipality and with their communities.

This approach is called Strategic Municipal Planning.

How is this section organised?

How should this Strategic Municipal Planning be done? How can a Municipality develop a Strategic Municipal Plan? What are the appropriate methods to engage local citizens and stakeholders¹ to participate in this process? This chapter on Strategic Municipal Planning seeks to provide some answers. To do so it is organised around two sections.

This section introduces Strategic Municipal Planning. It sets out what a Community Plan is, what benefits it offers, what factors are most likely to lead to a successful outcome and provides sources for further background reading. Section 2 provides guidance on how to proceed successfully through the steps of Strategic Municipal Planning. Finally, the appendix includes an example of a Model National Guide for Strategic Municipal Planning from Albania.

II. Strategic Municipal Planning

What is a Strategic Municipal Plan?

A Strategic Municipal Plan is a statement (or vision and Action Plan) developed by the Municipality with its residents and other stakeholders, setting out where it seeks to be in the future – 5, 10 or even 20 years ahead – and how it plans to get there.

It addresses how the Municipality, together with its partners, will improve the quality of life, economic prosperity, environmental sustainability and the general welfare of the community. It covers the services provided by the Municipality and how their quality will be enhanced to answer the needs and reflect the aspirations of the community. It also addresses investment and infrastructure projects necessary to secure an improvement in economic, social and environmental well-being of the local area. Finally, it should set out how these aspirations will be achieved and where the resources (financial and personnel) will come to translate the Strategic Municipal Plan into implemented projects and improved service delivery.

The successful development of a Strategic Municipal Plan requires dynamic leadership by the Municipality. It also requires open, constructive, multi-partisan and inclusive engagement of citizens and other stakeholders in its future. It also needs to be informed by an analytical social, economic and environmental profile of the Municipality today and an evaluation of emerging trends and issues for the future.

What are the benefits of Strategic Municipal Planning?

Successful Strategic Municipal Planning offers considerable benefits to the Municipality and to its community. These include:

- *Building community* – The process of the Municipality working together with local citizens, community organisations and local businesses creates a stronger sense of community and enhances the democratic credibility of the Municipality.
- *Better decisions* – Local people are invariably a valuable source of wisdom about the situation within the Municipality. The Municipality is more likely to make better informed decisions if the views of local people are listened to by the Municipality.
- *Enriching citizen involvement with local government* - It enables a stronger relationship to develop between local citizens and the Municipality through opening

¹ Stakeholders are defined as a person or organisation with an interest because they will be affected or may have some influence in the Community Planning process

up effective channels of communication between Municipality leaders and citizens and helping to build stronger trust.

- *Empowerment* – Involving local people in Strategic Municipal Planning builds their confidence, capabilities, skills and the capacity to cooperate. This enables them to tackle other challenges both individually and collectively.
- *More appropriate solutions* - Solutions to deliver municipal services and to invest in infrastructure and other projects are more likely to be relevant to meeting community needs. This is because ideas will have been tested and refined during the Strategic Municipal Planning process, resulting in a better use of resources.
- *Additional resources* – It is rare that Governments can offer Municipalities all the resources they need to solve all the problems in their local area. Strategic Municipal Planning offers a way to draw on local resources to take better and more effective decisions. This includes the skills and ideas of local people and the investment of local businesses.
- *Additional investment* – A Strategic Municipal Plan is a valuable asset to convince national Government and international donors and investors that the Municipality has thought through and documented how it intends to improve the economic, environmental and social well-being of its community and that as a result it is worth investing in.

What factors are most likely to lead to success in Strategic Municipal Planning?

There are critical factors which impact on how successful the Strategic Municipal Planning process is likely to be. These include:

- *Political leadership* - It is essential that the Mayor and political leadership of the Municipality is fully committed to the Strategic Municipal Planning process and supports it publicly and enthusiastically.
- *Thorough planning and preparation* – It is vital that a thorough planning and preparation process is undertaken prior to starting the Strategic Municipal Planning process. The steps involved are set out in section 4 of this Chapter.
- *Community involvement* – A central feature of Strategic Municipal Planning is that citizens, local partners and other stakeholders in the Municipality fully participate and are listened to in developing the Strategic Municipal Plan.
- *Communication* – The Municipality needs to develop effective channels of communication with its residents and stakeholders about the Strategic Municipal Planning process, as well as effective internal communication. This communication should address the aims of the process, the timetable, how citizens and other stakeholders will be involved, what outcomes might be expected and how they will be presented.
- *Clarity, relevance and realism* – The Municipality needs to ensure that its objectives for the Strategic Municipal Planning process and its outcomes are clear, relevant and realistic in relation to the current position and ambitions of the Municipality for its community.
- *Implementation* – It is vital that the Strategic Municipal Plan is not seen as an end in itself. Rather success should be measured in how effectively the Plan is implemented and how far its aspirations are achieved. A framework for performance management should be developed, as outlined in Performance Management Chapter.

Who should be involved in Strategic Municipal Planning?

This section briefly introduces who should be involved in the Strategic Municipal Planning process. Further guidance follows in later sections.

- *Political leadership of the Municipality* – The Mayor and other councillors have a leading role to play. It is essential that the leadership of the Municipality own the process of developing the Plan and its outcomes. They need to agree on the initial project plan and timetable for the Plan's development. They also lead the Steering Group and participate in consultation processes with stakeholders and residents of the Municipality.
- *Staff of the Municipality* – A Project Leader (or Manager) and other appropriate staff of the Municipality, have a critical role play in running the Strategic Municipal Planning process. It is important that the Municipality allocates or recruits staff with the appropriate skills to undertake the task properly. It is also important that all senior managers within the Municipality are properly briefed about the Strategic Municipal Planning process and the contribution that they will make towards it.
- *Municipal residents and stakeholders* – A key purpose of the Strategic Municipal Planning process is to determine the present and future needs and priorities of the Municipality residents and stakeholders. It is therefore essential that their participation in determining their needs be at the heart of the Strategic Municipal Planning process. An early task is identifying all the key stakeholders that should be involved in the process.
- *Neighbouring Municipalities* – Developments in one Municipality may impact on their neighbours. Also, local economies cross municipal boundaries. As a result, neighbouring municipalities should be kept informed of the timetable and process being followed, and be invited to observe and contribute their perspective as appropriate.
- *Regional and national government* – It is important that other tiers of Government are kept informed about the intention and progress of the Strategic Municipal Planning process. The Strategic Municipal Plan is likely to become an important tool for communication with and for influencing other tiers of government. Local municipalities should take into account regional and national policies in the Strategic Municipal Planning process.
- *External facilitator(s)* – Consideration should be given at an early step as to whether some external facilitation expertise is needed to support the process. The National Local Government Association should be in a position to offer advice on what appropriate external support and expertise might be available.

Box 1 - Ready to start to develop a Strategic Municipal Plan?

The following questions need to be answered affirmatively by a Municipality before it is ready to commit to developing a Strategic Municipal Plan:

1. Is the political leadership of the Municipality fully committed to engage fully in the Strategic Municipal Planning process?
2. Have the appropriate staffing and financial resources been identified to undertake the Strategic Municipal Planning process?
3. Is the Municipality clear what it wants to achieve from Strategic Municipal Planning?
4. Does the Municipality have a written plan approved by the Mayor and political leadership setting out: its objectives for Strategic Municipal Planning; the steps that will be followed; the timetable; resources available; who will be involved within the Municipality?
5. Have the potential benefits as well as costs (staffing costs, other costs and time commitment) in developing a Strategic Municipal Plan been assessed?
6. Has the Municipality assessed whether it has the expertise or access to expertise to run the Strategic Municipal Planning process? And if not does it have a solution?
7. Is the Municipality ready to engage fully with its stakeholders and residents in Strategic Municipal Planning?
8. Has the Municipality assessed how it will use the Strategic Municipal Plan to inform its internal business and budgetary planning and performance management arrangements?

Lessons from Pilot Programmes

The Council of Europe has been involved in running two Strategic Municipal Planning Programmes between 2007 and 2010 in Albania and Georgia.

The Albanian programme was supported in 2007 and 2008 jointly by the Council of Europe, the Organisation for Security and Cooperation in Europe (OSCE), the Local Government and Public Service Reform Initiative (LGI) and implemented with the Association of Albanian Municipalities. It was run with five Albanian municipalities: Berat, Kamza, Laç, Përmet and Shijak.

Copies of the Community Plans for each of these municipalities, together with the National Guide to Community Planning in Albania can be found on the Council of Europe web site at:

http://www.coe.int/t/dgap/localdemocracy/Centre_Expertise/Programmes/Albania_en.asp.

The first round of the programme in Georgia was supported in 2008 and 2009 by the Council of Europe with the Norwegian Association of Regional and Local Authorities (KS) and implemented with the National Association of Local Authorities of Georgia (NALAG). It was run with two Georgian municipalities: Rustavi and Lanchkhuti.

A second round, with the same partners begun in autumn 2009, working with Guria region and its three municipalities: Lanchkhuti, Ozurgeti and Chokhauri. The objective is to develop a Strategic Municipal Plan for Ozurgeti and Chokhauri, to update and progress implementation of the Lanchkhuti Strategic Municipal Plan and an provide an overall Regional Plan for Guria.

A summary of the important lessons learnt from these programmes is set out in Box 2 below.

Box 2 - Lessons from pilot programmes in Albania and Georgia

The following lessons can be drawn from the Council of Europe's experience of running pilot Strategic Municipal Planning programmes in Albania and Georgia between 2007 and 2009

- *Political commitment* – Strong political commitment from the leadership of the Municipality is essential, reinforced by dedicated staff resources to manage and run the project.
- *Clear but straightforward process* – It is vital to follow a clear and straightforward Strategic Municipal Planning methodology framework. It makes it easier for all involved to appreciate what steps they need to follow, what step they have reached and what needs to be addressed to successfully complete the process.
- *External versus local experts* – Wherever possible it is better to use local and national experts to run the Strategic Municipal Planning process. If possible, the role of international advisors should be limited to: providing advice on the development of the methodology; training national and local experts in the techniques and methods of Strategic Municipal Planning and providing appropriate advice and support as required. It has been observed that Strategic Municipal Plans managed and written by international experts are often impressively presented. However, they often suffer the crucial weakness of lack of local ownership, which seriously undermines the possibility that they will be implemented.
- *Appoint a local Project Manager*– There is likely to be more momentum in undertaking the Strategic Municipal Planning process if it is led by a locally based Project Manager, with expertise in Strategic Municipal Planning, who has political and managerial credibility within the Municipality.
- *Focus on how a plan will be used* – The development of a Strategic Municipal Plan is not an end in itself. It is important that once it has been completed, it is used as a tool to improve service delivery, set budget priorities, deliver infrastructure and other project priorities and present a case to Government and other external investors. Decisions about how the Community Plan will be used should be addressed in the initial planning step (Step One).
- *Engage the community* – this is an opportunity for the Municipality to learn how to engage the local community effectively and seek their feedback on shaping priorities. The more effectively that this is achieved, the more likely the outcome of the process will be successful. Focusing on community engagement skills and techniques should be part of the initial training process.

- *Projects* – The Albania and Georgia programmes included seed funding for supporting the implementation of a project within each Municipality. This worked well in building confidence in taking forward the Strategic Municipal Plan.
- *Collaboration* – Strategic Municipal Planning is best understood as a collaborative process which leads to a vision, strategic priorities and actions to enable the community to move forward. The stronger the participation across public, private and community sectors, with local people and also with other levels of government, the more likely there will be successful outcomes.

Useful background reading

There are a number of valuable resources available on Strategic Municipal Planning. These include the following, which have been used as references in the development of this chapter of the Toolkit. They are very useful resources to supplement this Toolkit:

- Community Planning.net, available at: <http://www.communityplanning.net>

Is a very useful source of information about all aspects of Community Planning and contains lots of practical material, for example on different methods for running focus groups and public meetings.

- Local Government and Public Service Reform Initiative (LGI) – Developing Economies Locally through Techniques and Alliances (Delta) Programme, available at: http://lgi.osi.hu/documents.php?m_id=109

Has examples of local economic development strategies from Central and Eastern Europe and from other parts of the world.

- Swinburn G and Murphy F (2004) 'Making Local Economic Development Strategies: A Trainers Manual', World Bank, available at: <http://www.worldbank.org/urban/local/toolkit/index.htm>

Describes the process of developing a Local Economic Development Strategy in detail and has valuable case studies and training material.

- The Cities Alliance (2007) 'Understanding Your Local Economy: A Resource Guide for Cities', Washington USA, available at: http://www.citiesalliance.org/ca/sites/citiesalliance.org/files/CA_Docs/resources/led/full-led-guide.pdf

Provides a comprehensive treatment for describing process of understanding and analysing your local economy.

- Wates N (2000) 'The Community Planning Handbook: How people can shape their cities, towns and villages in any part of the world', London, Earthscan

Presents much of the material on Community Planning.net in book format.

Box 3 - Strategic Municipal Planning in the United Kingdom

Strategic Municipal Planning is well established in the United Kingdom, which is why it is sometimes used to illustrate a best practice approach. The methodology and approach undertaken is very similar in England and Wales.

In England, local municipalities have a statutory duty to prepare 'Community Strategies' for promoting the economic, social and environmental well-being of their area. These plans should also contribute to the achievement of sustainable development in the UK.

A Community Strategy (Strategic Municipal Plan) in England should meet four objectives. It must:

- Allow communities to articulate their aspirations, needs and priorities.
- Coordinate the actions of the Municipality, and of the public, private, voluntary and community organisations that operate locally.
- Focus on and shape existing and future activity of those organisations so that they effectively meet community needs and aspirations.
- Contribute to the achievement of sustainable development locally and more widely.

A Community Strategy in England must have four components:

- A long-term vision for the areas focusing on the outcomes to be achieved.
- An Action Plan identifying shorter-term priorities and activities that will contribute to the achievement of longer-term outcomes.
- A shared commitment to implement the Action Plan and proposals for doing so.
- Arrangements for monitoring the implementation of the Action Plan, for periodically reviewing the Community Strategy, and for reporting progress to local communities.

The Community Strategy should be developed under four guiding principles:

- Engaging and involving local communities.
- Involve the active participation of members of the Municipality, including the leadership.
- Prepare and implement the Community Strategy through a 'Local Strategic Partnership'.²
- Be based on a proper assessment of needs and the availability of resources.

Further information about preparing Community Strategies in England can be found at: <http://www.communities.gov.uk/documents/localgovernment/pdf/156672.pdf>

Further information about preparing Community Strategies in Wales can be found at: <http://new.wales.gov.uk/dsjlg/publications/localgov/localvisionguidance/guidancee.pdf?lang=en>

² Defined as cross-sectoral, umbrella partnerships bringing together the public, private, voluntary and community sectors to provide a single overarching local coordination framework for the Local Municipality area within which other more sector or themed based partnerships can work

In addition best practice examples can be found on the IDeA web site, for example:

- *East Sussex* - <http://www.idea.gov.uk/idk/core/page.do?pageId=12424397&aspect=full>
- *Islington* (in London) - <http://www.idea.gov.uk/idk/core/page.do?pageId=8080505&aspect=full>
- *Cumbria* - <http://www.idea.gov.uk/idk/core/page.do?pageId=9415961>

III. Key Steps

The previous section introduced Strategic Municipal Planning. This section briefly sets out the five key steps involved in Strategic Municipal Planning, which are then described in detail in the following sections.

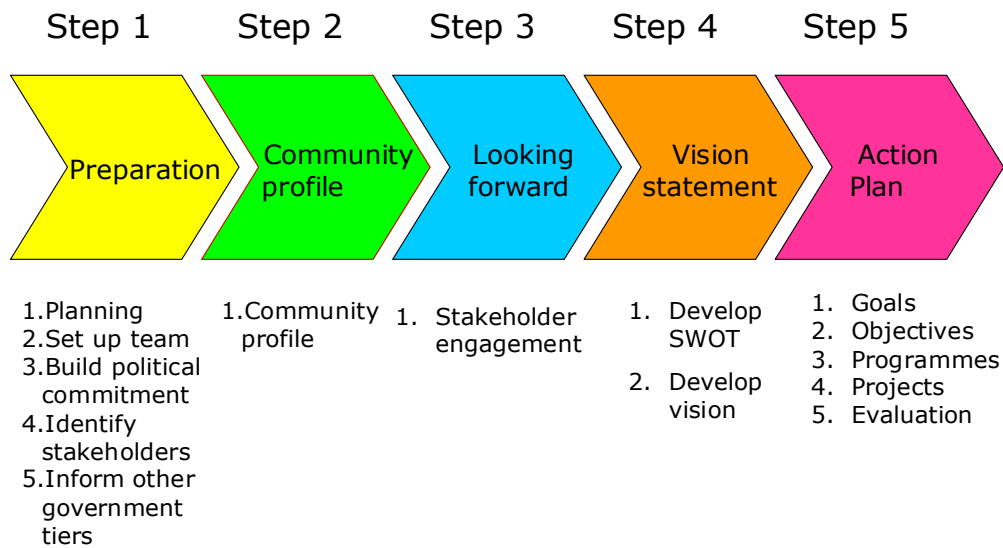
Five steps in Strategic Municipal Planning

There are five key steps involved in developing a Strategic Municipal Plan as set out in Figure One below. In brief these are:

<i>Step</i>	<i>Title</i>	<i>Brief description</i>
Step 1	Preparation	Preparing to undertake a Strategic Municipal Planning process
Step 2	Community Profile	Developing an analytical analysis of the current economic, social and environmental position of the Municipality
Step 3	Looking Ahead	Developing and implementing a strategy for stakeholder engagement
Step 4	Vision Statement	Developing a SWOT (strengths, weaknesses, opportunities and threats) analysis and developing a vision
Step 5	Action Plan	Developing an Action Plan to implement the Strategic Municipal Plan

In diagrammatic terms these steps can be represented as in Figure One.

Figure One – Steps in Strategic Municipal Planning



Next steps

Sections 4 to 8 describe how to undertake each step of the Strategic Municipal Planning process in fuller detail. For each step, guidance is provided as appropriate on:

- What is involved?
- Who is involved?
- Issues to be addressed?
- Success factors?
- What to look out for
- Checklist of actions.
- Examples of techniques and case studies.

Section 2 - Steps of Strategic Municipal Planning

I. Step One: Preparation

This section sets out background information on how to prepare to undertake a Strategic Municipal Planning process.

What is involved?

This first step is crucial to the overall success of the project. Unless this step is undertaken thoroughly and effectively, there is a considerable risk that the whole Strategic Municipal Planning project will not be successful. Or to reflect the words of a saying:

"To fail to prepare is to prepare to fail" Anon.

The basis of this step is planning to undertake the whole project.

A summary list of the key actions under Step 1 is:

Key actions for Step 1

<i>Action</i>	<i>Brief description</i>
Planning	Write a project plan setting out: <ol style="list-style-type: none">1. The steps to be followed at each step2. The project timetable including milestones, including the start and completion dates of the project3. Outline the project structure (Steering Group and proposed Themed Groups)4. Identify who is responsible for what at each step at a political and official level in the Municipality5. Cost the project (staffing, consultation, external facilitation and any other costs)
Set up team	<ol style="list-style-type: none">1. Recruit a Project Manager and other staff necessary to undertake the project2. Recruit external facilitation support (if appropriate)
Build up political commitment	<ol style="list-style-type: none">1. Confirm political commitment to the project from the leadership of the Municipality2. Obtain the Municipality's approval of the project plan
Identify stakeholders	<ol style="list-style-type: none">1. Draw up a list of stakeholders to be involved and consulted with in the project2. Consider which stakeholders might be invited to take part in the work of Themed Groups
Inform other government tiers	<ol style="list-style-type: none">1. Contact neighbouring municipalities to inform them of the intention of developing a Strategic Municipal Plan2. Contact regional and national government

Who is involved?

It is important that this step is undertaken in close cooperation between the political leadership of the Municipality and its senior officials.

The project plan can be produced either by senior staff or by a Project Manager appointed to lead the project on behalf of the Municipality. The project plan should be submitted for approval by the political leadership or the whole Council, depending on the appropriate approval mechanisms within the Municipality.

Success factors?

Getting the basic foundations in place before starting Strategic Municipal Planning is key to success.

Box 4 - 10 critical success factors in preparation

- ✓ The Mayor and leadership is fully committed to overseeing the Strategic Municipal Planning process
- ✓ There is a realistic written plan for the Strategic Municipal Planning process approved by the Leadership of the Municipality
- ✓ There are realistic expectations for the process
- ✓ There is a clear timetable including the start and completion dates of the Strategic Municipal Planning process
- ✓ There is a Steering Group for the project, led by the Mayor or other senior political leader
- ✓ A Project Leader with the appropriate skills is appointed to lead the project and is supported by appropriate staff resources
- ✓ Senior officials within the Municipality have been briefed about the Strategic Municipal Planning process and their contribution to it
- ✓ The Municipality has a clear understanding of how it will involve residents and other stakeholders in developing the Strategic Municipal Plan
- ✓ The Municipality has assessed whether it needs external expertise to help to facilitate the Strategic Municipal Planning process and where this expertise will be found
- ✓ The Municipality has informed its neighbouring municipalities and other appropriate tiers of government of its intention of undertaking a Strategic Municipal Planning process

What to look out for

If preparation is not thoroughly undertaken it is very likely that the Strategic Municipal Planning process will not be successful.

Box 5 - 10 reasons why Strategic Municipal Planning can fail

- ✓ The Mayor and leadership of the Municipality is not committed to the process
- ✓ There is no written plan setting how the Strategic Municipal Planning process will be undertaken
- ✓ Expectations for the process are either unrealistically high or low
- ✓ There is no timetable for the Strategic Municipal Planning process
- ✓ There is no Steering Group or the Steering Group membership is not committed to fully engage throughout the Strategic Municipal Planning process or it has little political influence in the Municipality
- ✓ Inadequate staffing resources, including an appropriately skilled Project

Manager, have been allocated to undertake the Strategic Municipal Planning process

- ✓ Senior officials within the Municipality are unclear what Strategic Municipal Planning is about or what their role is within it
- ✓ The Municipality has not decided how it will involve residents and other stakeholders in the Strategic Municipal Planning process
- ✓ There has been no assessment of whether the Municipality requires external help and facilitation expertise
- ✓ The neighbouring municipalities and other appropriate tiers of government have not been informed about the intention to undertake a Strategic Municipal Planning process

Preparation checklist

The following is a checklist of issues to be addressed at the crucial preparation step.

Political commitment

- The Mayor and Municipality leadership are briefed and are fully committed to the Strategic Municipal Planning process and appreciate what is involved.
- The leadership have approved a report which sets out:
 - What the process is.
 - What it will cost (staff and other finance).
 - Timetable and milestones.
 - Benefits and outcomes expected.

Project staff

- A Project Manager is appointed to lead the project at officer level from within the Municipality.
- Other staff are appointed as assessed as appropriate to support the Project Manager.

Steering Group

- A Steering Group is established led ideally by the Mayor or if not by another leading member of the Municipality.
- Its membership includes other leading members of the Municipality, including ideally from opposition parties.
- Consideration is given whether or not to include a one or more stakeholder representatives on the Steering Group.
- The Steering Group will oversee the Strategic Municipal Planning project, from beginning to end.
- The Steering Group will be accountable to the council of the Municipality.

Box 6 – Role and person specification – Strategic Municipal Planning Project Manager³

The Municipality should appoint a Project Manager at the start of the process to coordinate the Strategic Municipal Planning Process on behalf of the Municipality. The Project Manager could be recruited from within the Municipality (e.g. from the central administration or finance department). The appointment could be a permanent appointment or a temporary secondment. Alternatively, the Municipality could recruit the Project Manager externally. The key issue is that the Project Manager has the appropriate knowledge and skills to undertake the project.

Role

The role of the Project Manager is to:

- Coordinate the Strategic Municipal Planning process for the Municipality
- Lead in preparing the project plan for the planning process
- Support the Steering Group in overseeing the process
- Support the Themed Groups in making their contribution to the process
- Ensure that the key steps as set out in this Toolkit are fully addressed
- Oversee the development of the Community Profile
- Coordinate resident and stakeholder engagement
- Coordinate the development of the SWOT and Vision Statement
- Coordinate the development of the Action Plan
- Ensure effective communication with the Steering Group, Themed Groups, other Municipality officials, residents and stakeholders through out the process

The role may be supported by other staff and/or appointed facilitator/expert

Person specification

The following sets out appropriate knowledge and skills required by the Project Leader (or Manager) for leading the Strategic Municipal Planning process:

Knowledge

- Good understanding of the Strategic Municipal Planning process (E)
- Strong understanding of techniques for community engagement and participation (A)

³ Whilst it is ideal for the Project Manager to meet these knowledge and skills requirements, it is possible to meet this Person Specification, it possible that some of these requirements marked A can be met through another member of the project team or through additional expert support

- Understanding of how to draw up a community profile (A)
- Good understanding of project planning processes (E)

Skills

- Ability to win trust and respect of the political leadership and senior management of the Municipality (E)
- Ability to build strong working relationships with residents and local stakeholders (E)
- Effective oral communicator, including speaking to large public audiences (E)
- Good report writer able to draw up project plan and draft of Strategic Municipal Plan (E)
- Ability to analyse data and information about the Municipality (A)

Key

E = essential

A = advisable, unless available from another member of the project team or external expert support, when it becomes essential

- Project structure
- Consideration is given early on by the Steering Group what Themed Groups (see Box 7 below) should be established to support the project.
 - These Themed Groups should reflect the most likely important issues to be addressed by the Strategic Municipal Plan.
 - The type of issues they might address include: economic development; business development; education and culture; local environment etc.
 - Membership of Themed Groups should include political members of the Municipality and stakeholder representatives with particular expertise on the topic to be addressed by the Themed Group.

Box 7 - Project Structure and Themed Groups

There is no one single way to organise the project structure. However, a common approach is to form Themed Groups to cover the key themes within the Strategic Municipal Plan, which report to the Steering Group (see below).

Whilst the Steering Group oversees the project, the purpose of the Themed Groups is to provide expertise and input on the key themes to be addressed by the Strategic Municipal Plan. These might include economy, business development, social inequality, local environment. Their membership is likely to include both politicians from the Municipality as well as key local experts (e.g. business leaders, educationalists, NGO representatives) in the subject area of the Themed Group.

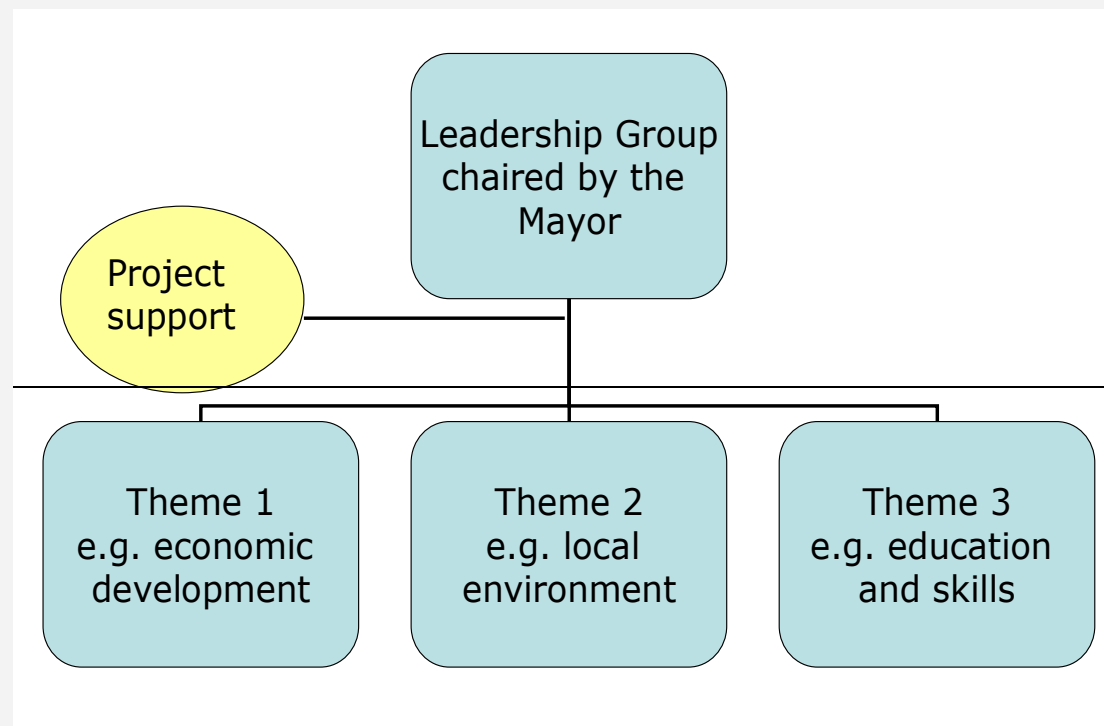
Their role is to ensure that issues relating to the theme are properly addressed in the research, community profile, community engagement and in the conclusions of the Strategic Municipal Plan.

The Themed Groups should be formed at the beginning of the Strategic Municipal Planning process. They should meet on a regular basis throughout all the steps of the process. They should have oversight of the issues relevant to their theme.

It should be remembered that the more Themed Groups that are formed, the more complex it will be to run the process. It is recommended that three or four Themed Groups are formed.

The areas on which each Themed Group might contribute are:

- Providing advice to the Steering Group on the issues to be covered within the themed area
- Ensuring that all the relevant stakeholders have been involved in the consultation and engagement processes relating to their theme
- Providing advice on the relevant sections of the community profile
- Helping to pull together the results and information about their theme for the Strategic Municipal Plan
- Providing advice on the drawing up of projects and programmes relating to their theme



As an example a Themed Group on economic development might have the following members:

- Member of Council with responsibility for economic development
- Chief Executive of the Chamber of Commerce

- A NGO representative with an interest in economic development
- One or two representatives from medium-sized or large businesses, typical of sectors representative of the local economy
- One or two representatives from small businesses, typical of sectors important to the local economy
- A representative of an organisation investing in or seeking to promote sectoral development in the local economy

The Themed Group would meet several times during the Strategic Municipal Planning process. But in particular it would meet to address the following questions at key steps in the Municipal Planning process:

- Step 1 - Have all the appropriate stakeholders been involved in the Strategic Municipal Planning process?
- Step 2 – Has all the appropriate information been collected about the local economy to inform the Community Profile and are the conclusions reached about the information correct?
- Step 3 – Have all the appropriate stakeholders been appropriately consulted and involved in developing the Vision Statement?
- Step 4 – Do the SWOT and the Vision Statement reflect the view of the Themed Groups, informed by views of stakeholders of the priorities, strengths and opportunities for the local economy?
- Step 5 – Does the Action Plan appropriately address the economic development priorities for the Municipality?

- Project Plan
- At the start of the process, the Project Manager should draw up a project plan setting out how the Strategic Municipal Plan is to be undertaken.
 - The Project Plan should be approved by the Steering Group, and if necessary by the full Council.
 - The Project Plan should address the issues set out in this section, but in particular should answer the following questions:
 - What is the project structure?
 - How long will the process take?
 - When will it begin and when will it end?
 - What are the key milestones?
 - What will the Strategic Municipal Planning process cost?
 - What will the budget be spent on e.g. staffing costs, consultation costs, data analysis costs, report preparation costs
 - What is expected to be achieved?

- What are the anticipated benefits to the Municipality?
- Who are the key stakeholders and how will they be involved?

Outside expertise

- Consideration will need to be given early on whether outside expertise would be either helpful or essential to the Strategic Municipal Planning process.
- Such support would need to be budgeted for or sought from external funders.
- Before appointing outside experts, careful consideration should be made about the contribution that that will be expected to make.
- Experience has shown from Council of Europe programmes in Georgia and Albania, that it is better if possible for that expertise to be provided from local or national experts if at all possible.
- National Local Government Associations should be a source of useful advice on the availability of such expertise.

Stakeholders

- A list of stakeholders to involve in the Strategic Municipal Planning process should be drawn up. These will include the following:

Public sector

- Municipality
- Neighbouring municipalities
- National and regional government
- Health authorities
- Public transport authorities
- Universities and colleges
- Education authorities
- State owned enterprises

Community and voluntary sector

- Local citizens
- Neighbourhood groups
- Environmental groups
- Historic societies
- Cultural and arts groups
- Religious and youth groups
- Educational groups

Private sector stakeholders

- Chamber of Commerce
- Private businesses
- Small business and trade association
- Utilities and banks
- Private developers
- News media

- This will enable further thought to be given about the appropriate ways in which stakeholders can be engaged in the Strategic Municipal Planning process

Neighbouring Municipalities and tiers of government

- Other neighbouring Municipalities should be informed about the intention to develop a Strategic Municipal Plan and be provided an opportunity to be consulted and contribute views during the process

- It is advisable to inform other tiers of Government (e.g. regional and national) of the intention to undertake Strategic Municipal Planning at the beginning of the process

It is only once all these issues have been fully addressed is the Municipality ready to progress onto the next step of Strategic Municipal Planning in preparing a Community Profile – which is outlined in the next section.

II. Step Two: Community Profile

This section describes how to identify the key economic, social and environmental information that inform the key characteristics of the Municipality and then how to analyse this information to establish where the Municipality is now. This is an important foundation before the Municipality can go on to address the direction that it wishes to go.

What is involved?

This step involves:

- Collecting economic, social and environmental data to enable the Municipality to develop a profile of their Municipality.
- This data might include issues such as: geography; natural resources; population and demographic characteristics; the local economy; the labour force; political and community institutions; housing; transportation; educational attainment and facilities and cultural resources (see Table 1 below).
- The key steps to be followed are:
 - Data selection – Choose which data is to be collected based on what is appropriate to the circumstances of the Municipality and the issues which the Strategic Municipal Plan will address
 - Data sources – Identify appropriate sources of data
 - Data collection – Collect data from the chosen appropriate chosen sources
 - Data analysis – Undertake an analysis of the data to identify trends about the Municipality
 - Data comparison – It is helpful to be able to compare the analysis of the Municipality with other local municipalities within the region or country.
- The analysis of this information is to draw conclusions about the present position of Municipality.
- These should be set out in a short report called a Community Profile, which should describe the key economic, social and environmental characteristics of the Municipality area.
- The Community Profile will be used later on to inform the SWOT (strengths, weaknesses, opportunities, threats) analysis in Step Four – Looking Ahead.

Table 1 - Useful data and information for Community Profile

Demography,
employment
and skills

Population

- Size; Age; growth; density

Employment

- Employment divided by activities, age, professions.
- Employment structure (full time job, part time, men/women).
- Average income from employment.
- Other data regarding informal sector of employment

Unemployment

- Unemployment rate overall and by age, sex and duration

Education

- Number and categories of schools
- Data about colleges
- Educational attainment levels by numbers and types

Training and skills

- Numbers and types and age groups of technically qualified individuals and those going through training programmes
- An assessment of skill/occupational shortages/oversupply

Economy

- Number and size of firms, broken down by sectors, with numbers of full-time equivalent employees
- Number and type of recent (past 5 years) firm closures by size, sector and date
- Number of inward investments by employee size, sector and date
- Number of new business start-ups, by size, sector activity and longevity
- Number of companies that export, to where, by sector
- Top 50 companies by size, employment and sector

	<ul style="list-style-type: none"> • Vacancy rates of industrial and commercial space by size, location • Informal businesses – number, sector types, employee number and location
Business Environment	<ul style="list-style-type: none"> • Existence of supporting business networks and institutions, such as Chambers of Commerce • Government economic development support – services offered or subsidized • Assessment of municipal capacity to carry out local economic development • Access to funding (training, grants, business incentives)
Hard Infrastructure	<ul style="list-style-type: none"> • Condition of water, electricity and wastewater provision. • Assessment of provision of land, real estate/office space for economic development activities. • Availability and quality of road and other transport connections to major markets
Regional and National	<ul style="list-style-type: none"> • What other neighbouring governmental units are doing in terms of local economic development? • Potential opportunities for collaboration with neighbouring governmental units? • What opportunities are offered through regional and national programmes? • What support might be provided through international agencies?
History, culture, sport and tradition	<ul style="list-style-type: none"> • Historical main events that have relevance today • Cultural sites, events etc • Sport events, data etc • Local traditions • Famous people
Territory and Environment	<ul style="list-style-type: none"> • Territory (surface; size; administrative division; territorial map) • Natural resources, green areas, creative areas, waste management, air quality , water resources, etc

- | | |
|---------------------------------|--|
| Local Government Administration | <ul style="list-style-type: none"> • Who is who in the administration • Office structure • Local Government services • Main functions and responsibilities • Local Finance and budget • Local Taxes and fees |
| Civil society | <ul style="list-style-type: none"> • NGOs number and structure • NGOs activities |

Source: Swinburn, G and Murphy F (2004) 'Making Economic Development Strategies: A Trainers Manual, for the World Bank, available at: <http://www.worldbank.org/urban/local/toolkit/index.htm>

Who is involved?

The preparation of the Community Profile should be part of the responsibility of the Project Leader.

However, this is a relatively technical area of work and advice might be sort from different sources. These include:

- If available, internal technical expertise within the Municipality.
- External expertise, such as from a university, a regional tier of government (if present) or from national statistical office or department.
- External advice may be sought either on an informal basis or through the commissioning of a piece of work. However, if the latter approach is taken, it will need to be budgeted for within the project.

Success factors?

Being realistic about what information is available and using that information to identify key trends are critical success factors

Box 8 - How to make your Community Profile a success

- ✓ Ensure clarity about who is responsible for developing a Community Profile
- ✓ Be clear in planning what data and indicators would be useful to the development of your Strategic Municipal Plan
- ✓ Decide whether there is internal capacity in the Municipality to develop a Community Profile or whether some external advice or expertise is necessary. If the latter consider how this will be resourced

- ✓ Do not try to be too ambitious. It is better to collect information about the issues that really matter than try to cover everything
- ✓ Be clear that the purpose of collecting data is to develop a 'big picture' about key trends about your authority e.g. Is the local economy growing? Is the population growing or are people moving away? Does the community have enough housing? Does the community need more people with higher level or particular occupational skills? What is extent of unemployment or under-employment? What is the extent of the problem of poverty?
- ✓ Seek advice from Regional Government (if this tier exists) and/or from Central Government Departments, particularly if there is a department with responsibility for local data. Universities are also a useful source of advice
- ✓ Do not be put off if all the data you would like to collect is not available, do the best that you can. It is more important that you understand the issues than you have all the data
- ✓ Write down your results as a Community Profile and share them with the Steering Group and the Themed Groups and seek their opinions

What to look out for

This step can easily go wrong. This is usually because it is not clear who is responsible for the work and/or because the focus becomes the data rather than the overall picture about the area of the Municipality that the data is being used to portray.

Box 9 - Why your Community Profile may fail

- ✓ It is not clear who is responsible for leading the work on developing a Community Profile
- ✓ There is no plan about what data to collect and for what purpose
- ✓ The aim of the exercise becomes collecting data rather than informing key trends about your Municipality
- ✓ There is no effort made to seek external advice, even on an informal basis
- ✓ The absence of good reliable data becomes a discouragement to developing a Community Profile

Community Profile checklist

- | | |
|---------------------|---|
| Who is responsible? | <ul style="list-style-type: none"> ▪ Ensure it is clear who is responsible for leading the preparation of a Community Profile (e.g. Project Manager). ▪ Assess whether the skills necessary to draw up a Community Profile are available within the Municipality. |
|---------------------|---|

- If outside help is necessary, assess whether it can be obtained informally or whether it will need to be purchased.

- Plan what data is needed
 - Undertake an assessment of what are likely to be the key themes for the Community Strategy.
 - Based on this assessment, draw up a list of the key data required for the Community Profile.
 - Assess what of these data requirements is available and from which sources.

- Collect and appraise data
 - Collect data from available sources.
 - Undertake an assessment of the data to assess key trends and issues affecting the Municipality.

- Prepare Community Profile
 - Prepare Community Profile, setting out a summary of data analysed, observations and conclusions.
 - Present Community Profile to Steering Group and Themed Groups for discussion.
 - Agree on key issues which will be taken forward into the SWOT analysis.

Having completed the Community Profile, the Municipality is now ready to progress to the next step – Looking Ahead. In fact, this state will have already been started from planning the project, since the involvement of residents and other stakeholders is an absolute central theme of the Strategic Municipal Planning process.

III. Step Three: Looking Ahead

The overall purpose of this step is to effectively involve stakeholders to answer this question: “where are we going?”.

The aim of Strategic Municipal Planning should be to achieve as close to a *partnership* approach as possible. This means that there is a genuine process of stakeholder engagement where views are genuinely listened to by the Municipality, where stakeholders are able to influence outcomes and where concerns cannot for whatever reason be addressed, the reasons are clearly communicated and explained.

The purpose of this phase is to enable stakeholders in the Municipality to actively participate in shaping the vision and priorities of the Strategic Municipal Plan.

This is an important step, which begins at Step One and goes on right throughout the Strategic Municipal Planning process. Indeed, effective stakeholder participation and engagement is absolutely central to what the Strategic Municipal Planning process is about. A vital success factor for the Strategic Municipal Plan is that citizens and other stakeholders in the Municipality feel that they have been fully involved in the process of its development.

Before considering the methods for consultation it is important to consider what ‘stakeholder participation’ actually means because it is often interpreted in different ways. A helpful approach to this was provided in a classic paper by Sherry Arnstein, which is set out in Box 10 below. Whilst this does not offer an ‘ideal’ approach, the risks

of 'non-participation' and 'tokenism' are explained, as well as going beyond participation to devolving full responsibility to 'stakeholder control'.

What is involved?

This step involves:

- Making use of the preparation work (see Step One – Preparation), which was:
 - Drawing up a list of stakeholders to be involved and consulted with in the project
 - Considering which stakeholders might be invited to take part in the work of Themed Groups and appointing them to the groups
- Developing a programme of stakeholder engagement. The different ways of involving and consulting stakeholders are described below under the 'issues to be addressed' section.
- Drawing up the information and issues that you want the stakeholders to engage on.
- Bringing together information from stakeholder consultation, together with the Community Profile and other information identified by Themed Groups to draw up a SWOT analysis for the Municipality (see Step Four – Vision Statement).

Who is involved?

The following are involved:

- *The Mayor and political leadership of the Municipality* – have a vital role in leading the process of stakeholder engagement. It is important that they are prepared to Chair and speak at public meetings and events.
- *The Project Manager* - Is responsible for drawing up a comprehensive list of stakeholders to be engaged during the consultation process. He or She will also need to:
 - Plan appropriate methods of stakeholder engagement
 - Develop a stakeholder engagement programme
 - Consider and recommend whether external expert support is necessary to support the stakeholder engagement programme. Table 2 sets out different methods of stakeholder engagement.
- *Stakeholders* – As broad a range of stakeholders in the Municipality as possible should be engaged in the Strategic Municipal Planning process. This will include the following:

Public sector

- Municipality
- Neighbouring municipalities
- National and regional government
- Health authorities
- Public transport authorities
- Universities and colleges
- Education authorities
- State owned enterprises

Community and voluntary sector

- Local citizens
- Neighbourhood groups
- Environmental groups
- Historic societies
- Cultural and arts groups
- Religious and youth groups
- Educational groups

Private sector stakeholders

- Chamber of Commerce
- Private businesses
- Small business and trade association
- Utilities and banks
- Private developers
- News media

Box 10 - Model of Stakeholder Participation

Sherry Arnstein⁴ developed a classic model (or ladder) of citizen (or stakeholder) participation. At the bottom of the ladder, stakeholders are only involved to either manipulate or 'correct' their views. The ladder rises through the token involvement of stakeholders to citizen (or stakeholder) empowerment at the top levels. The purpose of this ladder is not to suggest the 'ideal' outcome – although in the case of Strategic Municipal Planning *partnership* is likely to be an appropriate response.

Non-participation

1. *Manipulation* – Involving stakeholders in Themed Groups or through other meetings with the aim to "educate" them or engineer their support
2. *Therapy* – Involving stakeholders in group events with the aim to 'cure' them of their views and values to conform to the views of the Municipality

Tokenism

3. *Informing* – Holding meetings with stakeholders to explain the views of the Municipality and providing no opportunity for stakeholder feedback and offering no possibility of negotiation
4. *Consultation* – Inviting stakeholders opinions through meetings, public hearings and attitude surveys, but with no assurance that stakeholders concerns will be addressed

⁴ Arnstein, S. (1969) *A Ladder of Citizen Participation*, Journal of American Institute of Planners and included in LeGates, R. T. and Stout, F. Ed (2007 4th edition) *The City Reader*, Routledge, London

5. *Placation* – Where the Municipality carefully chooses a few ‘hand-picked’ stakeholders to consult or involve in Themed Groups. The stakeholders are not accountable to a recognised constituency (e.g. chamber of commerce, NGO umbrella group, residents group) in the community and the Municipality’s intention is to placate their views and retain the right to judge the legitimacy or value of the stakeholders advice

Citizen empowerment

6. *Partnership* – Stakeholders are enabled to share planning and decision making through the Strategic Municipal Planning process and their views are enabled to fully influence the outcomes of the Strategic Municipal Plan
7. *Delegated power* – The Municipality delegates responsibility and decision making over the development of all or aspects of the Strategic Municipal Plan
8. *Citizen control* – A situation where the community takes over control of the Strategic Municipal Plan from the Municipality, including its development and its outcomes

There are different ways of involving and consulting stakeholders. The basic approaches are set out in Table 2. Each presents different challenges and advantages:

- *Public meetings* – are the easiest form of public consultation to organise and to manage. However, they can also end up being the most superficial with a one way communication from the Municipality and little structured feedback from stakeholders. However, there are ways around this with lots of different excellent and interesting methods available for organising public meetings to achieve in a more systematic way an assessment of stakeholders’ views. These are described in ‘The Strategic Municipal Planning Handbook.’⁵ They are also available on the Community Planning.net web site at <http://www.communityplanning.net/methods/methods.php>, which is an extension of the book. Without training of local staff, these techniques may require an external facilitator to run them.
- *Citizen’s surveys* – If well conducted provide a statistically reliable way to gather stakeholder views and attitudes on specific issues. However, they do need professional expertise to design and administer and therefore can be expensive.
- *Focus groups* – A valuable way of gaining views, especially about particular issues, but require skilled facilitation to run effectively. Again some of the methods explained on the Community Planning.net web site and in ‘The Community Planning Handbook’ apply equally to focus groups.

⁵ Wates, N. (2000) *The Community Planning Handbook: How people can shape their cities, towns and villages in any part of the world*, Earthscan, London

Table 2 – Methods of Stakeholder Engagement

Method	Advantages	Challenges
<p><i>Public meetings</i> – Meetings between the local government and members of the public and other stakeholders to hear views about the issue or project being considered. Can be informal or structured (for example with facilitated group exercises).</p>	<ul style="list-style-type: none"> • Excellent to explain plans to a public audience and to elicit views. • May be used to identify priorities and select preferences. • May be undertaken without external professional expertise. • To involve local people directly in the planning process. 	<ul style="list-style-type: none"> • Meetings require a clear purpose and structured agenda. • The Mayor and other decision makers must participate. • The meeting has to be well publicised in advance. • The meeting must be held at a convenient time and place for people to attend. • There has to be a widely available record of the meeting.
<p><i>Citizens' surveys</i> – Written survey that is either conducted through the post or by interview. It is used to find out citizens' attitudes and opinions. It gathers information from a scientifically selected sample of the community.</p>	<ul style="list-style-type: none"> • If well conducted will gather statistically reliable information on stakeholder attitudes. • A relatively quick and reliable way to determine public opinion • The results are quantifiable. 	<ul style="list-style-type: none"> • Requires expertise to design and administer. • Is expensive because normally contracted out to a research body. • Must have a clear purpose. • Questions must be simple, specific, logical and unbiased.
<p><i>Focus groups</i> – Small groups used to listen, gather information and identify potential issues. Participants are usually drawn from a particular group of stakeholders whose views are being sought (e.g. businesses, unemployed, mothers).</p>	<ul style="list-style-type: none"> • Provides valuable qualitative information on views about: attitudes to proposed vision; understanding of vision; citizens' priorities. • They indicate a willingness to listen. 	<ul style="list-style-type: none"> • A specially trained facilitator is required to lead the group. • They are expensive to run. • Cost and time may make it possible to run a small number of group sessions. • Not suitable for resolving conflicts or reaching consensus.

Source: Developed from: Swinburn, G and Murphy F (2004) 'Making Economic Development Strategies: A Trainers Manual, for the World Bank, available at: <http://www.worldbank.org/urban/local/toolkit/index.htm>

Whatever approaches are used, it is vital that the following is taken into account when planning which methods to use for stakeholder engagement:

- *What do we want to get out of the engagement?* – Is it quantitative information (e.g. what are the most important proposals for investment) or qualitative information (what local people feel about different investment proposals)?
- *What information we are able to share?* - It is important that participants are clearly told why they are being involved, what the Municipality wishes to get out of the engagement, how the results will be used and how participants will receive feedback on the outcomes.
- *What step we have reached in the Strategic Municipal Planning process?* – early on in the process, public meetings and citizens' surveys may be more appropriate to collect a wide range of views. However, later on as the information collected is being refined (e.g. translating a SWOT into a Vision Statement – see Step Four), focus groups may be more valuable.
- *Do we need outside expert help?* – Consideration needs to be given early on whether staff within the Municipality can be trained to run stakeholder engagement events or whether some external expert and facilitation support is necessary.

Success factors?

The following factors will help enable stakeholder engagement to be a success.

Box 11 – How to make stakeholder engagement a success

- ✓ Give careful consideration to drawing up a list of stakeholders to engage at the start of the project
- ✓ Give careful consideration early on to the why, what and how of stakeholder engagement
- ✓ There is a genuine commitment to partnership by the Municipality with its stakeholders in developing the Community Strategy
- ✓ Appropriate methods of stakeholder engagement are used to meet the intended objectives
- ✓ The Mayor and political leaders of the Municipality play a leading and active role in stakeholder engagement
- ✓ It is made clear through feedback to stakeholders that their views and aspirations have been fully listened to and taken into account in the Strategic Municipal Plan
- ✓ Where there are limitations in what can be achieved (e.g. due to availability of financial resources) these are made clear in an open and transparent way
- ✓ Writing up notes of all stakeholder events, so that there is a record of what took place and what was said and by whom

What to look out for

The following factors, if not properly addressed will mean that community engagement is very likely to fail.

Box 12 - Why stakeholder engagement may fail

- ✓ No proper thought has been given to drawing up a list of stakeholders that ought to be engaged
- ✓ Stakeholder meetings or events are organised on an ad-hoc basis with no thought given to the why, what and how of stakeholder engagement
- ✓ The Municipality use stakeholder engagement to manipulate outcomes, purely seek to inform stakeholders of their priorities, to placate stakeholders, or abrogate their responsibilities for community leadership
- ✓ No thought is given to the appropriate methods of stakeholder engagement and the wrong methods are being applied in inappropriate circumstances
- ✓ The Mayor and political leadership of the Municipality either opt out of stakeholder engagement or show a lukewarm interest and commitment to the process or the outcomes
- ✓ Stakeholders view are neither listened to or taken into account in the Strategic Municipal Plan
- ✓ Limitations of what is possible (e.g. through available financial resources) is not made clear or transparent
- ✓ Not writing up or recording stakeholder events, so that there is no record of what was said and by whom

Checklist

- | | |
|--|---|
| Review stakeholder list | <ul style="list-style-type: none">▪ Review stakeholder list drawn up under Step One<ul style="list-style-type: none">- Is it comprehensive?- Has anyone or any group been left out who should be included? |
| Develop a stakeholder engagement programme | <ul style="list-style-type: none">▪ Design a programme for stakeholder engagement.▪ Choose what methods would be appropriate for each part of the programme and what issues you wish to cover.▪ Write out a timetable of events.▪ Allocate responsibility for organising and leading each event.▪ Consider if the programme can be run within internal resources or requires outside expert help. |

- Consider how stakeholder events will be recorded and how participants will receive feedback.
 - Ensure that the Steering Group and Themed Groups are committed to the programme.
- Will there be a citizens' survey?
 - Decide early on whether there will be a citizens' survey.
 - If the answer is yes, decide who will design and manage the survey.
 - If external expert help is required consider who would be best to undertake the work and how the cost will be fund.
- Run stakeholder programme
 - Ensure that there is senior political leadership commitment to contributing to stakeholder events.
 - Ensure that stakeholder events are appropriately publicized and communicated.
 - Ensure that participants are clearly informed of the purpose and outcomes of any stakeholder event.
 - Plan the agenda for each event and define what participants are to be consulted on.
- Collate results of stakeholder events
 - Ensure that all stakeholder events are written up or recorded.
 - Draw together key issues that have arisen from stakeholder engagement to inform development of SWOT analysis.

The key to this step is developing a real partnership between the Municipality and residents as well as other stakeholders in informing views and evidence about "where we are going". If this has be achieved, the Municipality will be in a strong position to progress to the next step of developing a Vision Statement.

However, it should be emphasised that the engagement of citizens and other stakeholders does not stop here. It needs to continue throughout the remaining steps of developing the Plan, including checking back on the content of the vision and the Action Plan for the Strategic Municipal Plan.

IV. Step Four: Vision Statement

The purpose of this step is to answer this question: "where do we want to be?"

The Municipality must determine where it wants to be some 5, 10 or 15 years ahead – depending on the time scale of the Strategic Municipal Plan.

There are two key elements of this step: developing a SWOT analysis and creating a Vision Statement.

Developing a SWOT – Strengths, Weaknesses, Opportunities, Threats

What is involved

The first objective is to develop SWOT analysis for the community. The SWOT is a summary of all the important information that has been collected from the Community Profile and through stakeholder events, meetings and surveys.

Strengths and weaknesses are internal to the Municipality and its local area. Opportunities and threats are caused by factors external to the Municipality and its local area.

The kind of questions that should be considered in the development of the SWOT are shown in Box 13 below.

Box 13 – SWOT Analysis

<p><i>Strengths</i></p> <ul style="list-style-type: none">• What advantages do we have?• What does the Municipality do well?• What resources and assets are available?• What do stakeholders see as our strengths?	<p><i>Weaknesses</i></p> <ul style="list-style-type: none">• What disadvantages do we face?• What could the Municipality do better?• What resources and capabilities do we lack?• What do stakeholders see as our weaknesses?
<p><i>Opportunities</i></p> <ul style="list-style-type: none">• What are the economic, social, environmental and technological trends that can help us?• What opportunities are provided through national and regional policy?• What opportunities are provided through private and international agency investments?• What do stakeholders see as our opportunities?	<p><i>Threats</i></p> <ul style="list-style-type: none">• What are economic, social, environmental trends that might set us back?• What are other municipalities, national and regional government doing that might be a threat?• What threats might pose private and international agency investments?• What do our stakeholders see as potential threats?

Examples of SWOTs can be found on the Council of Europe website for the five municipalities which were included in the Albania pilot programme. These are available at:

http://www.coe.int/t/dgap/localdemocracy/Centre_Expertise/Programmes/Albania_en.asp

Who is involved?

This process should be led by the Project Leader, working with each of the Themed Groups. There are different ways to draw up the SWOT, for example:

- Through stakeholder group meetings.
- Through each Themed Group developing its own SWOT, which is then brought together in a combined SWOT for presentation to the Steering Group.

Useful group based exercises for developing a SWOT can be found in: Swinburn G and Murphy F (2004), *ibid*, available at:

<http://www.worldbank.org/urban/local/toolkit/index.htm>

Success factors?

Success factors to develop a SWOT analysis include the following.

Box 14 - How to make a successful SWOT

- ✓ Having good quality information from the Community Profile and stakeholder engagement to draw on
- ✓ Using a systematic method for translating Community Profile and stakeholder engagement results into the SWOT
- ✓ Being realistic and basing the SWOT on actual evidence collected
- ✓ Having a clear understanding about what is really important and what is detail
- ✓ Wherever possible using stakeholders in developing and confirming the SWOT
- ✓ Being systematic in involving members of Themed Groups and the Steering Group in developing and confirming the SWOT

What to look out for

The following can undermine the value of the SWOT analysis.

Box 15 - Why your SWOT may fail

- ✓ The SWOT analysis is based on poor quality information from the Community Profile and stakeholder engagement
- ✓ No systematic method used for translating the Community Profile and stakeholder engagement results into the SWOT
- ✓ The SWOT is based on opinions and feelings, rather than on systematic evidence
- ✓ The SWOT includes too much detail that is not very important

- √ Stakeholders are excluded from developing and confirming the SWOT
- √ The SWOT is drawn up by an individual or small group of individuals who are not accountable to the Themed Groups and/or Steering Group

Creating a Vision Statement

What is involved?

Created and tested through the Themed Groups and the Steering Group and preferably with wider groups of stakeholders the SWOT is now used as the foundation for creating a vision.

A Vision Statement sets out where the Municipality seeks to be 5, 10 or 15 years ahead – depending on the time period for the Strategic Municipal Strategy. In doing so it should have three qualities:

- √ *It should be aspirational* – in raising expectations that improvements that are sought by the community and the Municipality may be secured over the time period for the Strategy
- √ *It should be realistic* – it should balance aspiration by being realistic having undertaken an assessment about what is likely to be achievable based on its strengths and opportunities
- √ *It should reflect what makes it distinctive* – it should be informed by an understanding of what makes the Municipality stand out, what makes it distinctive and therefore what its core strengths and opportunities are, taking into account its weaknesses and the threats that it faces

The Vision Statement should be drawn from the SWOT, by undertaking an analysis of its most critical elements as set out in Box 14.

Box 16 – Creating a vision

- Work in groups, either in task groups or in a community meeting.
- Each group should individually and then collectively select no more than 10 items that they consider most important from each of the strengths, weaknesses, opportunities and threats.
- The group should then prioritise each of these items into three bands:
 - A – critically important
 - B – important
 - C – least important
- The group should work together to highlight the key words in the items, focusing particularly on items in band A.
- These key words should then be used to have a first attempt at drafting a Vision Statement.
- The first attempt should be discussed further to consider how it could be improved to produce a first version of the Vision Statement.
- Different groups working on this should compare notes at the different steps in this process.

Source: Swinburn G and Murphy F (2004), *ibid*

Translating a SWOT to a Vision Statement – Example Berat, Albania

An example of how to translate a SWOT into a Vision Statement can be found in the example of Berat in Albania.

The 2005-2010 Strategic Plan for Economic Development of Berat identifies the SWOT for the Municipality as:

Box 17 – SWOT analysis for Berat⁶

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none">▪ Cultural and historical inheritance with potential to develop tourism▪ Mild Mediterranean climate	<ul style="list-style-type: none">▪ Slow process of decentralisation▪ Irregular electricity supply▪ Lack of overall urban plan for the

⁶ This plan was developed under the LGI Delta Programme – available at: http://lgi.osi.hu/publications/2007/357/Berat_Eng.pdf. It was subsequently updated as part of the Council of Europe, OSCE, LGI, AAM programme in 2008 to become the 'Revised Social and Economic Development Community Plan 2005-2015, Municipality of Berat', available at: http://www.coe.int/t/dgap/localdemocracy/Centre_Expertise/Programmes/Albania_Berat_Plan.pdf

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ Potential for agribusiness ▪ Increasing family, historical and cultural tourism ▪ Well qualified workforce ▪ Buildings favourable for business development in industrial zone ▪ Political commitment to build local and regional plans ▪ Strong culture of hospitality, for family tourism ▪ City is at centre of region ▪ Good public order ▪ Young people with good level of education | <p>city</p> <ul style="list-style-type: none"> ▪ Lack of city ring road ▪ Delay in transferring public properties under ownership of Municipality ▪ No loan system to support local government ▪ Facilities for commerce poorly organized |
|--|---|

<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> ▪ Ease of access to nearby Kuçova airport ▪ Resources and ideas to use the natural beauty of the River Osum valley for ecological tourism, public spaces and recreation ▪ Proximity to ports of Vloa and Durrës and international airport at Tirana ▪ Banking infrastructure for loans to businesses ▪ Proximity to Mount Tomorri and other natural monuments ▪ Development support of successful and growing businesses 	<ul style="list-style-type: none"> ▪ Migration of businesses ▪ Emigration ▪ Local government and government institutions may not provide effective coordination to use opportunities ▪ Competition ▪ Destruction of the old historic town and its unique architecture through illegal construction and lack of finance ▪ Specialists migrating from the city and moving to Tirana or abroad

This has been developed into a Vision Statement⁷ as follows:

⁷ See covering page of Revised Social and Economic Development Community Plan 2005-2015 Municipality of Berat, available at:

http://www.coe.int/t/dgap/localdemocracy/Centre_Expertise/Programmes/Albania_Berat_Plan.pdf

"Berat the white town with its splendid people, will be a prosperous Municipality with sustained economic development, with a solid agro-business and handicraft sector, and a hub of family tourism centred on its history and unique cultural heritage"

Some of the key words from the SWOT included within the Vision Statement have been highlighted in **bold**. It is clear that the Vision Statement meets our three criteria above:

- ✓ *It should be aspirational* – It reflects Berat's aspiration to be leading centre in Albania for agro-businesses and cultural, family and historical tourism.
- ✓ *It should be realistic* – It is based on a realistic assessment of Berat's relative economic and social strengths in tourism and agro-businesses. It also understands the potential threats that Berat faces if it does not protect its heritage.
- ✓ *It should reflect what makes it distinctive* – It takes account of what makes Berat distinctive in comparison to other places.

Who is involved?

As shown in Box 16 above, it is important that there is a structured process in translating the SWOT into a Vision Statement, which involves a combination of:

- ✓ Task Groups – for example, by members of the Themed Groups.
- ✓ Community – community meeting(s) and or focus group meetings.

The process should not be undertaken by the Project Manager alone or just by the Steering Group, or it will have no wider ownership.

Examples of Vision Statements

Vision Statement for Permet, Albania:⁸

"Permet, the city of culture and tradition, will be in 2015 recognised inside and outside the country (Albania) for its ecological and cultural tourism, its traditionally characteristic products, where both local people and visitors shall enjoy a clean environment and a high quality of life."

Vision Statement for Leeds, United Kingdom:⁹

"Our vision for Leeds is an internationally competitive European city at the heart of a prosperous region where everyone can enjoy a high quality of life."

Vision Statement for Lac, Albania:¹⁰

"In the next 10 years, Lac will manage to consolidate its unique values, with the planned development of the combined religious and coastal tourism, supported by the development of agribusiness, light industry and handicraft trade, to transform Lac into a

⁸ See Community Development Plan 2008-2013 Municipality of Permet, available at:

http://www.coe.int/t/dgap/localdemocracy/Centre_Expertise/Programmes/Albania_Permet_Plan.pdf

⁹ See Vision for Leeds 2004 to 2020, available at:

<http://www.leedsinitiative.org/assets/0/20/22/24/28/F3056E2B-0449-433D-A552-1AA1DF5BAD67.pdf>

¹⁰ See Development Strategy 2008-2015 Municipality of Lac, available at:

http://www.coe.int/t/dgap/localdemocracy/Centre_Expertise/Programmes/Albania_Lac_Plan.pdf

city with an unemployment rate reduced below the average and increase above the average the family incomes”.

Success factors?

The following key factors should be taken into account in developing the Vision Statement.

Box 18 – How to make a successful Vision Statement

- ✓ Ensure that the Vision Statement addresses the criteria of being aspirational, realistic and distinctive
- ✓ Be systematic in developing the Vision Statement using the SWOT analysis as its foundation
- ✓ As described in the example in Box 16, involve stakeholders in developing the Vision Statement, to broaden its ownership and test its value

What to look out for

The following can undermine the value and usefulness of your Vision Statement.

Box 19 – Why your Vision Statement may fail

- ✓ Your Vision Statement is neither aspirational, realistic or distinctive
- ✓ There has been no systematic process in developing the Vision Statement involving an evidence-based approach building on the SWOT analysis
- ✓ The Vision Statement reflects the views of one or just a few people within the Municipality and has no wider stakeholder ownership

Once the Vision Statement has been completed, the Municipality is ready to proceed onto developing an Action Plan to translate the vision into practical steps and actions that will enable the vision to be realised.

V. Step Five: Developing an Action Plan

Once the vision has been created, an Action Plan can be developed to achieve how the Municipality will get there. This section takes one example to illustrate the approach of developing the key elements within an Action Plan.

What is involved?

The key steps in this step are:

- Identifying the key goals to deliver the vision:
 - They should be more descriptive and concrete than the vision
 - They should point more specifically to where the Municipality wants to be

- There should be no more than four or five goals in total

Box 20 – Translating a Vision Statement into Goals – example from Berat¹¹

Berat Vision Statement:

“Berat the white town with its splendid people, will be a prosperous Municipality with sustained economic development, with a solid agro-business and handicraft sector, and a hub of family tourism centred on its history and unique cultural heritage”

Is then developed into three goals, which clearly reflect the vision, for the purpose of identifying the objectives, programmes and projects which will deliver the vision:

Focus on agro-business and business development

Goal 1 – Development of the agro-business and small and medium enterprises in the region of Berat through the revitalisation of its production, processing and trading potential

Focus on tourism development

Goal 2 – Rapid tourism development based on the unique cultural and historical heritage of Berat

Focus on the development of Berat as a city

Goal 3 – Urban development in Berat in compliance with modern standards and in harmony with the specific features of Berat

- For each goal define key objectives to deliver the goal.

Box 21 – Translating Goals into Objectives – example from Berat

Goal 1 – Development of the agro-business and small and medium enterprises (SMEs) in the region of Berat through the revitalisation of its production, processing and trading potential

It is then developed into Objectives, which address the achievement of the goal of agro-business and SME development, for example:

- ✓ Objective – Transformation of Berat into the main regional hub for the concentration and processing of agricultural products
- ✓ Objective – Promotion of local agricultural products at the regional level

¹¹ See Revised Social and Economic Development Community Plan 2005-2015 Berat, available at: http://www.coe.int/t/dgap/localdemocracy/Centre_Expertise/Programmes/Albania_Berat_Plan.pdf

Goal 2 - Rapid tourism development based on the unique cultural and historical heritage of Berat

Is developed into objectives to promote the goal of tourism development distinctive to Berat's distinctive assets:

- √ Objective – Tourism promotion through provision of detailed and up to date information
- √ Objective – Reconstruction, protection and preservation of the cultural and historical heritage of the town of Berat

- For each objective identify programmes which will deliver each objective.

Box 22 – Translating Objectives into Programmes – example from Berat

Objectives are then developed into programmes of projects which will deliver outcomes supporting the achievement of the vision and appropriate Goal. An example is provided of a Programme relating to each of the Objectives outlined in Box 21:

- Objective – Transformation of Berat into the main regional hub for the concentration and processing of agricultural products
 - √ Programme – Allocation of suitable areas for agro-business operations and facilities in the town of Berat
- Objective – Promotion of local agricultural products at the regional level
 - √ Programme – Support for new initiatives to build new markets to concentrate trading of agricultural products at the regional level
- Objective – Tourism promotion through provision of detailed and up to date information
 - √ Programme - Coordination of efforts and identification of fields of action and division of responsibility among the stakeholders for the purpose of promoting the potential of Berat in the field of tourism
- Objective - Reconstruction, protection and preservation of the cultural and historical heritage of the town of Berat
 - √ Programme – Identification of needs and opportunities related to the protection and rehabilitation of the cultural and historic assets of the town

- For each programme identify projects which will deliver it.

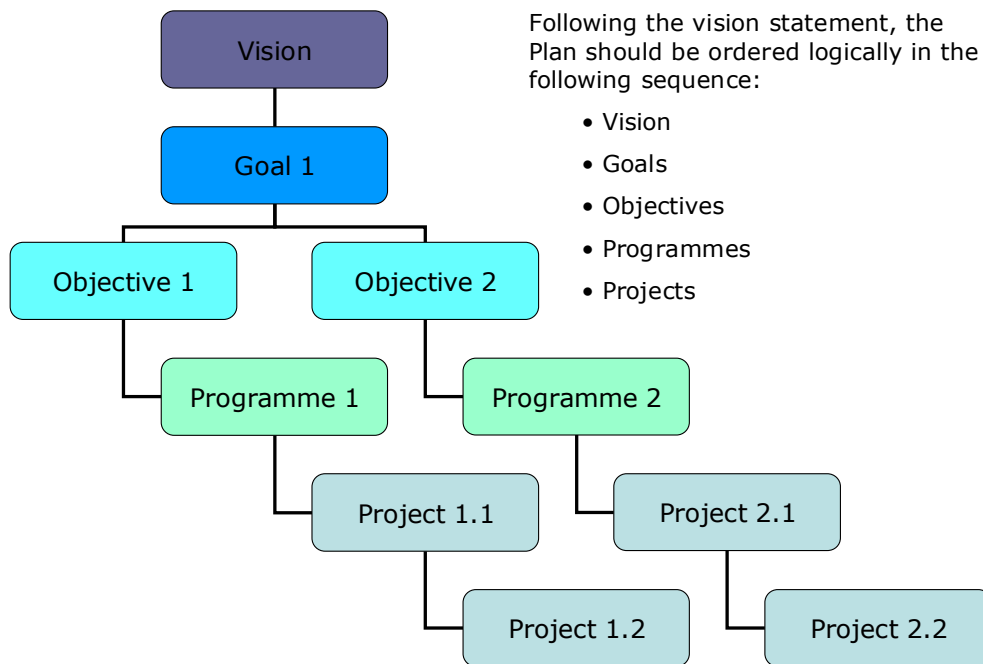
Box 23 – Translating Programmes into Projects – example from Berat

Programmes are then developed into a set of projects to address the objects of the Programme. Examples are given to the matching of projects to Programmes set out in Box 22:

- Programme – Allocation of suitable areas for agro-business operations and facilities in the town of Berat
 - √ Project – Preparation of a study on the integration of the facilities operated by the agro-business in the town planning scheme of Berat
- Programme – Support for new initiatives to build new markets to concentrate trading of agricultural products at the regional level
 - √ Project – Establishment of a business association for the agricultural sector
- Programme – Coordination of efforts and identification of fields of action and division of responsibility among the stakeholders for the purpose of promoting the potential of Berat in the field of tourism
 - √ Project – Establishment of a Tourist Information Centre
- Programme – Identification of needs and opportunities related to the protection and rehabilitation of the cultural and historic assets of the town
 - √ Project – Restoration of historical objects on the old castle street

- Evaluate the financial, human resource and legal implications for each programme and project. It is important to assess at this step whether each programme and project is realistic and achievable and where resources (financial and human) will come from to deliver the programme.
- Determine who is accountable and responsible for the delivery of each programme and project.
- Write up the vision (Community Profile, SWOT and vision) and Action Plan (Goals, Objectives, Programmes and Projects) into a report for publication. The format should follow the Strategic Municipal Plan Template shown below in Figure 2.

Figure 2 – Strategic Municipal Plan Template



Who is involved?

This step of the project should be led by the Project Manager, working with members of the Steering Group, members of the Themed Groups and Municipality officials.

Moreover, the vision and the Action Plan should be approved by the Steering Group and the whole Council.

Success factors?

Success factors in developing an Action Plan include the following.

Box 24 - How to make a successful Action Plan

- ✓ Be systematic to ensure that your projects relate clearly towards delivering Programmes, Objectives, Goals and will contribute towards the attainment of your overall vision
- ✓ Projects, Programmes, Objectives and Goals clearly connect to stakeholder views and priorities
- ✓ Objectives, Programmes and Projects need to include the appropriate information to ensure that they are SMART i.e.:

- S- Specific
 - M - Measurable
 - A - Achievable and Agreed by the Community, citizens and stakeholders
 - R - Realistic
 - T - Time-bound with clear deadlines for programmes and projects
- ✓ Resources need to be allocated against Projects
 - ✓ The entire Strategic Municipal Plan (including vision and Action Plan) needs to be approved by the full Council
 - ✓ The Strategic Municipal Plan informs the annual business planning and budget making process of the Council

What to look out for

The following can undermine the value of the Action Plan.

Box 25 – Why your Action Plan may fail

- ✓ The Action Plan is not put together in a systematic way and it is unclear how Projects, Programmes, Objectives and Goals will contribute to the attainment of your overall vision
- ✓ There is no identifiable connection between the identified Projects, Programmes, Objectives and Goals and the views expressed by stakeholders
- ✓ Objectives, Programmes, Objectives and Goals are not SMART
- ✓ It is not clear where financial or staffing resources are to be found to fund or support the implementation of Projects
- ✓ The Strategic Municipal Plan has not been approved by the full Council
- ✓ The future annual business planning and budget making process of the Council either disregards or only partially takes into account the Strategic Municipal Plan

Maintaining momentum

Having followed the five steps set out in this chapter of the Toolkit, you should have successfully completed your Strategic Municipal Plan.

However, this is not the end of the process. Four key principles lie at the heart of a successful partnership between a Municipality and its residents as well as stakeholders. These are:

Clarity

- Creating a long-term vision and Action Plan for the future of the Municipality, that is built bottom-upwards and informed by extensive engagement of residents and other stakeholders.

Consistency

- Using the vision and Action Plan to work systematically towards achieving a clear and deliverable set of aims, objectives and projects towards long-term success and short term wins.
- Evaluating the progress that is being made in achieving the implementation of the Action Plan through effective performance management (see Chapter on Performance Management).

Communication

- Building on the experience gained through developing the Strategic Municipal Plan in maintaining a strong culture of effective communication with residents and other stakeholders.
- Sharing information with residents and stakeholders about the completion of the vision and Action Plan and progress that is made in implementing it.

Collaboration

- Developing a culture of working that builds long-term trust between the Municipality and residents as well as other stakeholders.

If all the steps set out in this Toolkit have been carefully followed, the Municipality will be placed in a strong position. Not only will it have a Strategic Municipal Plan in place, it will also, as a consequence of applying the above principles be better placed to become a more effective, better run, more strategically focused Municipality, working for the well-being of its citizens and its area.

Glossary of terms

The following provides a short definition of key terms used within this chapter of the Toolkit on Strategic Municipal Planning.¹²

- *Strategic Municipal Plan* – A plan for the community developed by the Municipality with its residents and other stakeholders. It sets out where the community seeks to be in the future – 5, 10, or even 20 years ahead – and how it plans to get there. It is sometimes referred to as a Community Strategy or Community Plan
- *Steering Group* – A group of around six to eight people¹³ led by the Mayor or other leading politician in the Municipality that provides overall leadership and coordination of the development of the Strategic Municipal Plan. It will consist mainly of political representatives of the Municipality, but may also include one or two stakeholders (e.g. a business and an NGO representative)

¹² See also ‘The Community Planning Handbook’, *ibid*, which has informed the definitions given above

¹³ The suggested number (6-8) for membership of the Steering Group and Themed Group is only provided as a guide

- *Themed Group* – A group of around six to eight people set up to coordinate the input into the Strategic Municipal Plan around a key theme within the Plan (e.g. economy or environment). It is usually formed of stakeholders with an interest or expertise within the field covered by the group.
- *Stakeholders* – Person or group with an interest because they will be affected or may have some influence in the content or outcomes of the Strategic Municipal Plan
- *Community Profile* – A written statement which sets out the needs and resources of the community based on analytical evidence
- *SWOT analysis* – A written statement setting out the strengths, weaknesses, opportunities and threats faced by the Municipality, its residents and stakeholders
- *Vision Statement* – A statement of how things might ideally look like in the future, informed by evidence collected through the Strategic Municipal Planning process and reflecting the views of residents, stakeholders as well as the Municipality
- *Action Plan* – A written plan which sets out the steps required to achieve the vision

Appendix – Model Nation Guide for Strategic Municipal Planning (based on Albania)

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1. Introduction

Purpose

This guide outlines the steps and actions involved in developing a Community vision and Plan. It was prepared as part of the Local Government Leadership Programme for municipalities in Albania, implemented in 2007 and 2008 by the Association of Albanian Municipalities (AAM) with the support of the Council of Europe's Centre of Expertise for Local Government Reform, the OSCE Presence in Albania and the Open Society Institute (Local Government and Public Service Reform Initiative).

Its purpose was to provide a framework to help enable the pilot communities of the programme – Berat, Lac, Kamza, Permet and Shijak – to work with their residents, businesses and other local stakeholders in developing a Community Plan. All these authorities have followed the steps set out in this guide.

The format and steps followed in this guide are consistent with the Association of Albanian Municipalities Mayors Handbook.

Particular examples of lessons learnt and good practice are set out in Appendix I.

Sources

This guide draws from excellent existing sources of information on Community Planning in Albania, particularly in the field of local economic development.

A particularly valuable source drawn on for this guide is:

Gwen Swinburn and Fergus Murphy (2004) 'Making Local Economic Development Strategies: A Trainers Manual', World Bank (Found at <http://www.worldbank.org/urban/local/toolkit/index.htm>)

In addition, copies of Community Plans for Albanian cities can be found by contacting the Association of Albanian Municipalities at aam@albmail.com, or www.am-al.com

What is a Community vision?

A vision is a shared statement of what the community seeks to be in the future –5, 10 or even 20 years ahead. It is linked with the improvement of the quality of life and general welfare of the community.

The successful development of a vision requires the dynamic leadership of the Mayor and enthusiastic support of the whole community. It also requires open, constructive, multi-partisan and inclusive engagement of citizens and other stakeholders in the future of the community. It also needs to be informed by a profile of the community today and an evaluation of emerging trends and issues for the future.

What is a Community Plan?

The Community Plan sets out how the vision will be made a reality. It specifies the key goals, objectives, programmes and projects to make the vision happen. It also addresses the budget, human resource and legal issues relating to the implementation of the Community Plan. As it is the key document used to measure and evaluate progress it is vital that it is SMART:

- S – Specific
- M - Measurable
- A – Achievable and Agreed by the Community, citizens and stakeholders
- R - Realistic
- T – Time-bound with clear deadlines for programmes and projects

What are the factors for success?

Experience from the pilot programme has reinforced experience that following factors are critical to success:

- ✓ Quality of political commitment and enthusiasm from the Mayor and the whole Community.
- ✓ Thoroughness of planning and preparation to develop the vision and Plan.
- ✓ The quality of information about the Community used to inform the vision and Plan.
- ✓ Whether citizens, local partners and other stakeholders feel that they have been actively involved and listened to in developing the vision.
- ✓ How clear, relevant and realistic the objectives of the Plan are to the current position and ambitions of the Community.
- ✓ How well the implementation of the Plan is managed, monitored and evaluated.

What are the benefits?

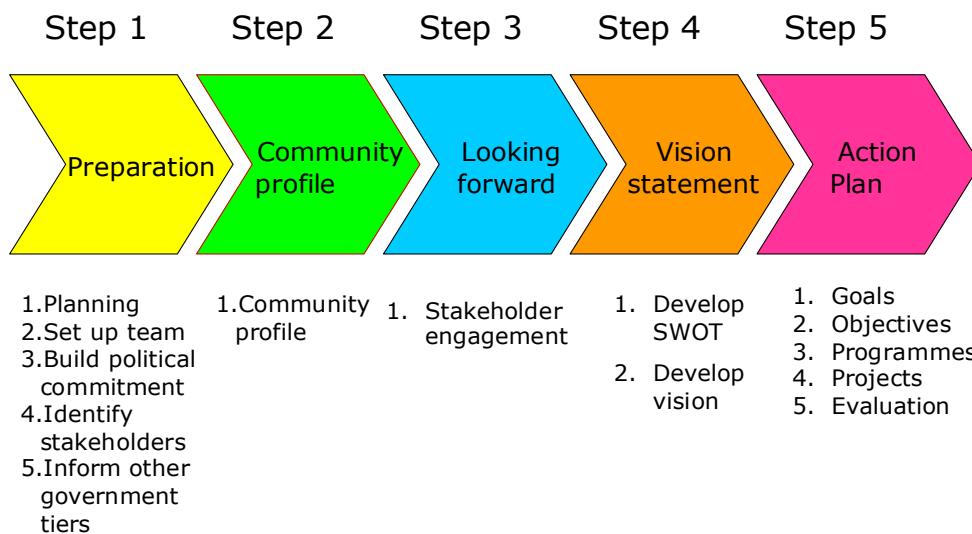
The successful development of a Community vision and Plan offers benefits for a community including:

- ✓ Bringing the community together.
- ✓ Identifying new opportunities and possibilities for the future.
- ✓ Enriching citizen involvement in local governance.
- ✓ Developing the quality of Community leadership.
- ✓ Providing a better foundation for planning and decision-making.
- ✓ Fostering improved partnership working.
- ✓ Resulting in concrete changes to improve the quality of life and economic opportunities for citizens.

2. Key Steps

As outlined in the Introduction, this guide follows the same framework outlined in the Association of Albanian Municipalities Mayors Handbook.

The key steps in developing a Community vision and Plan are:



3. Step One - Preparation

"To fail to prepare is to prepare to fail"
Anonymous

Preparation checklist

The preparation step is crucial to the success of the whole process of developing a Community vision and Plan. During this step it is important to:

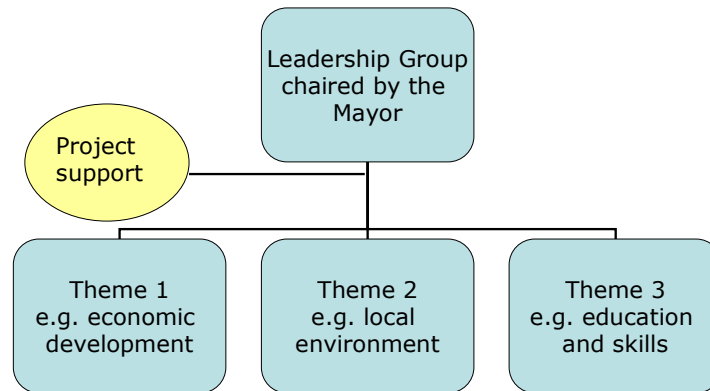
- ✓ Establish political commitment from the Mayor and other members of the Municipality to the process.
- ✓ *Political leadership* – Establish a group of councillors chaired by the Mayor to lead the process.
- ✓ *Appoint project staff* – Select project leader and project staff with key strategy, local economy, community engagement and technical skills to manage the project.
- ✓ *Design project structure* – Decide on what themed or other expert groups are required to support the project.
- ✓ *External expertise* – Determine what, if any, external expertise is required for the project e.g. community profile, trend analysis, stakeholder engagement.
- ✓ *Project plan* – Draw up project plan, project process and timetable.
- ✓ *Stakeholders* – Draw up a long list of stakeholders for consultation and plan the process for stakeholder engagement.
- ✓ *National, regional and local government* - Inform national, regional and neighbouring governmental units of the vision and Planning process and identify areas where their input would assist.

Project structure

There are many possible ways to structure the project. A common approach is to set up Themed Groups reporting to the Steering Group. This is illustrated below, showing the Themed Groups reporting to the Leadership group chaired by the Mayor.

The Themed Groups would consist of local experts and people who are interested in the theme under discussion. It is suggested that there are no more than 4 or 5 Themed Groups or the process will become difficult to manage. The themes covered by the Groups will depend on the issues that are most critical to the future of the community.

The Leadership Group and the Themed Group would be supported by project support staff.



Stakeholders

A list of stakeholders to involve in the process should be drawn up. These will include the following:

Public sector

- Municipality
- Neighbouring municipalities
- National and regional government
- Health authorities
- Public transport authorities
- Universities and colleges
- Education authorities
- State owned enterprises

Community and voluntary sector

- Local citizens
- Neighbourhood groups
- Environmental groups
- Historic societies
- Cultural and arts groups
- Religious and youth groups
- Educational groups

Private sector stakeholders

- Chamber of Commerce
- Private businesses
- Small business and trade association
- Utilities and banks
- Private developers
- News media

Having completed the steps describe above, the Community is ready to begin the vision and Planning process.

4. Step Two – Community Profile

The purpose of this step is to determine “where we are now”?

The objective is to identify and describe the key economic, social and environmental characteristics of the area covered by the community, such as:

Geography, natural resources, population, demographics, the local economy and labour force, political and community institutions, housing, transportation, education and cultural resources.

A long list of data that might be collected is set out in Appendix II.

The key steps in this step are:

- ✓ *Data selection* – Choose data to be collected and identify and check data sources.
- ✓ *Data collection* – Collect data from chosen sources.
- ✓ *Data analysis* – Undertake an analysis of the data to identify key trends.
- ✓ *Data comparison* – It is helpful if the analysis can be compared with other local government units in Albania, which is aided by taking a common approach across the pilot authorities.
- ✓ *Community Profile* – Draw up a written report describing key economic, social and environmental characteristics of the area.

The Community Profile will be used to inform the SWOT analysis in Step 4.

5. Step Three – Looking Ahead

The purpose of this step is to clarify “where we are going”?

This step has two parts: stakeholder engagement and trend analysis.

Stakeholder engagement

A vital success factor for the vision and Plan is that citizens and other stakeholders in the community feel that they have been fully involved in its development.

There are different ways in involving and consulting stakeholders, which are described in the following table. Public meetings are the easiest form of public consultation to organise and to manage. Citizens’ surveys and focus groups both require professional expertise to plan and to administer.

<i>Method</i>	<i>Advantages</i>	<i>Challenges</i>
<i>Public Meetings</i> – Meetings between the local government and members of the public and other stakeholders to hear views about the issue or project being considered. Can be informal or structured (for example with facilitated group exercises).	<ul style="list-style-type: none"> • Excellent to explain plans to a public audience and elicit views. • May be used to identify priorities and select preferences. • May be undertaken without external professional expertise. • To involve local people directly in the planning process. 	<ul style="list-style-type: none"> • Meetings require a clear purpose and structured agenda. • The Mayor and other decision makers participate. • The meeting is well publicised in advance. • The meeting is held at a convenient time and place for people to attend • There is a widely available record of the meeting.
<i>Citizens’ surveys</i> – Written survey that is either conducted	<ul style="list-style-type: none"> • If well conducted will gather statistically reliable information on stakeholder 	<ul style="list-style-type: none"> • Requires expertise to design and administer.

through the post or by interview. It is used to find out citizens' attitudes and opinions. It gathers information from a scientifically selected sample of the community.	attitudes. <ul style="list-style-type: none"> • A relatively quick and reliable way to determine public opinion • The results are quantifiable. 	<ul style="list-style-type: none"> • Is expensive because normally contracted out to a research body. • It must have a clear purpose. • Questions must be simple, specific, logical and unbiased.
<i>Focus groups</i> – Small groups used to listen, gather information and identify potential issues. Participants are usually drawn from a particular group of stakeholders whose views are being sought (e.g. businesses, unemployed, mothers).	<ul style="list-style-type: none"> • Provides valuable qualitative information on views about: attitudes to proposed vision; understanding of vision; citizens' priorities. • They indicate a willingness to listen. 	<ul style="list-style-type: none"> • A specially trained facilitator is required to lead the group. • They are expensive to run. • Cost and time may make it possible to run a small number of group sessions. • Not suitable for resolving conflicts or reaching consensus.

Source: Based on Swinburn and Murphy (2004)

Trend Analysis

There are different ways of assessing potential future trends.

The simplest method is through brainstorming using the Themed Groups if set up as described under project structure above.

6. Step Four – Creating the Vision Statement

The purpose of this step is to determine “where do we want to be”?

A Vision Statement describes the community’s aspiration of what the community will look like in the future. Whilst developing a Vision Statement involves imagination and creativity, the process should be firmly grounded in reality. It is therefore important that it is supported by evidence about the local government unit (community profile, community consultation and future trends analysis). It should also be *distinctive* in that it reflects the underlying strengths and opportunities of the community.

Developing a SWOT

The foundation for a Vision Statement is a SWOT analysis for the community.

The purpose is to specify the strengths and weaknesses *internal* to the community and the opportunities and threats caused by *external* factors.

The development of the SWOT analysis should be informed by all the information collected about the local government unit and its future i.e. community profile, trends analysis and community consultation. The kind of questions that should be asked in the development of the SWOT is shown in the Table below.

It can be developed through task groups, community meetings using brainstorming or other facilitated consultation techniques.

<p style="text-align: center;"><i>Strengths</i></p> <ul style="list-style-type: none"> • What advantages do we have? • What does the Municipality do well? • What resources and assets are available? • What do stakeholders see as our strengths? 	<p style="text-align: center;"><i>Weaknesses</i></p> <ul style="list-style-type: none"> • What disadvantages do we face? • What could the Municipality do better? • What resources and capabilities do we lack? • What do stakeholders see as our weaknesses?
<p style="text-align: center;"><i>Opportunities</i></p> <ul style="list-style-type: none"> • What are the economic, social, environmental and technological trends that can help us? • What opportunities are provided through national and regional policy • What opportunities are provided through private and international agency investments? • What do stakeholders see as our opportunities? 	<p style="text-align: center;"><i>Threats</i></p> <ul style="list-style-type: none"> • What are economic, social, environmental trends that might set us back? • What are other municipalities, national and regional government doing that might be a threat? • What do our stakeholders see as the threats?

Creating a Vision Statement

Having created a SWOT and tested it through task group and/or community meetings, the SWOT is used as the foundation for creating a vision. One technique for doing this is described below.

<p style="text-align: center;"><i>Creating a vision</i></p> <ul style="list-style-type: none"> • Work in groups, either in task groups or in a community meeting. • Each group should individually and then collectively select no more than 10 items that they consider most important from each of the strengths, weaknesses, opportunities and threats. • • The group should then prioritise each of these items into three bands: <ul style="list-style-type: none"> - A – critically important

- B – important
- C – least important

- The group should work together to highlight the key words in the items, focusing particularly on items in band A.
- These key words should then be used to have a first attempt at drafting a Vision Statement.
- The first attempt should be discussed further to consider how it could be improved to produce a first version of the Vision Statement.
- Different groups working on this should compare notes at the different steps in this process.

Source: Gwen Swinburn

Examples of Vision Statements

Lac

"In the next 10 years, Lac will manage to consolidate its unique values, with the planned development of the combined religious and coastal tourism, supported by the development of agribusiness, light industry and handicraft trade, to transform Lac into a city with an unemployment rate reduced below the average and increase above the average the family incomes".

Shijak

"Shijak, a friendly city with civil traditions, will be in 2015 a place where the social and economic development will offer a high living standard and good opportunities of employment, education, culture and will have a local government to the service of the community".

7. Step Five – Developing a Community Plan

Once the vision has been created, a Plan to achieve it can be developed to determine "how do we get there"?

The following section describes the key steps involved, with illustrations from the Plans of Shijak and Laç.

The key steps in this step are:

- ✓ Identify key goals to deliver the vision – these should be:
 - More descriptive and concrete than a Vision Statement.
 - They should point more specifically to where you want to be.
 - There should be no more than four or five goals in total.

Example of goal statement

Shijak

The improvement of local governance (Goal No.4).

Lac

Improved public assets management (Goal No. 1).

- ✓ For each goal define key objectives to deliver the goal

Example of objectives

Shijak

To increase of the efficiency of the administration of the Municipality (Objective No. 1).

Lac

To improve the infrastructure in use by the public administration (Objective No. 1).

- ✓ For each objective identify programmes which will deliver each objective

Example of programme

Shijak

Increasing administrative capacities of local administration (Programme No. 1).

Lac

Public Administration Infrastructure (Programme No. 1).

- ✓ For each programme identify projects which will deliver each programme

Example of project

Shijak

Establishment of Public Information Office (Project No, 3).

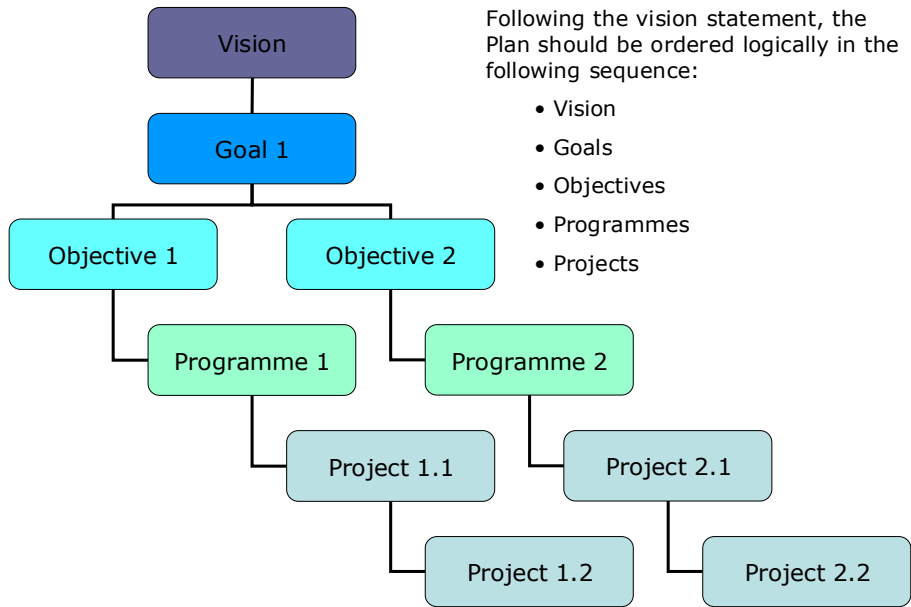
Lac

Establishment of financial management software in municipal office and training public officers on its use (Project No. 3).

Note – both these projects were supported through the Albania Leadership Programme.

- ✓ Evaluate the financial, human resource and legal implications for each programme and project. It is important to assess at this step whether each programme and project is realistic and achievable and where resources (financial and human) will come from to deliver the programme.
- ✓ Determine who is accountable and responsible for the delivery of each programme and project.
- ✓ Write up the vision and Action Plan into a report for publication. The format should follow the plan template as illustrated below.

Plan template



- ✓ High priority should be given to establish arrangements to monitor and evaluate progress in delivering the Action Plan.

8. Appendix I – Good practice examples from the Albanian Leadership Programme

Berat

Berat Municipality was effective in the development of a range of indicators and tools for monitoring the implementation of the Community Planning strategy.

Kamza

One of the good results deriving from the leadership programme is the creation of the very large "Statistical Book of Kamza" with data collected for the Community Profile. This statistical book has a large amount of information and data which of course cannot all be included in the Community profile, but has a great value in use for other purposes.

Lac

Lac undertook a very useful and professional SWOT analysis exercise which was carried out with the participation of all local, regional and national stakeholders. Also, the integration of the "Lac Strategic Development Plan 2008-2013" into the broader regional strategy of the Kurbin District was particularly successful.

Permet

The Community Planning process illustrated the value of a very active business community and mass media which supported the strategic planning process. Also, younger people made important contributions to the Community Plan through writing essays about the theme "Permet tomorrow" and "Permet my city", which were collected and used by the project management group for the planning process.

Shijak

The formation, for the first time, of a Citizen Commission made up of representatives from stakeholders from across the community. This acted as a consultative body for the decision making and strategic planning process. This commission was very active in developing the SWOT analysis for Shijak and in contributing to the whole leadership project. It was also active in the design and establishment of the Public Information Office, which was one of the projects in the Community Plan and was financed through the Albania Leadership Programme.

9. Appendix 2 - Useful data and information for Community Profile

Useful data and information for community profile

Demography,
employment and skills

Population

- Size; Age; growth; density.

Employment

- Employment divided by activities, age, professions.
- Employment structure (full time job, part time, men/women).
- Average income from employment.
- Other data regarding informal sector of employment.

Unemployment

- Unemployment rate overall and by age, sex and duration.

Education

- Number and categories of schools.
- Data about colleges.

Educational attainment levels by numbers and types.

Training and skills

- Numbers and types and age groups of technically qualified individuals and those going through training programmes.
- An assessment of skill/occupational shortages/oversupply.

Economy

- Numbers and sizes of firms, broken down by sectors, with numbers of full-time equivalent employees.
- Number and type of recent (past 5 years) firm closures by size, sector and date.
- Number of inward investments by employee size, sector and date.
- Number of new business start-ups, by size, sector activity and longevity.
- Number of companies that export, to where, by sector.
- Top 50 companies by size, employment and sector.
- Vacancy rates of industrial and commercial space by size, location.
- Informal businesses – number, sector types, employee number and location.

Business Environment	<ul style="list-style-type: none"> • Existence of supporting business networks and institutions, such as Chambers of Commerce. • Government economic development support – services offered or subsidized. • Assessment of municipal capacity to carry out local economic development. • Access to funding (training, grants, business incentives).
Hard Infrastructure	<ul style="list-style-type: none"> • Condition of water, electricity and wastewater provision. • Assessment of provision of land, real estate/office space for economic development activities. • Availability and quality of road and other transport connections to major markets.
Regional and National	<ul style="list-style-type: none"> • What other neighbouring governmental units are doing in terms of local economic development? • Potential opportunities for collaboration with neighbouring governmental units? • What opportunities are offered through regional and national programmes? • What support might be provided through international agencies?
History, culture, sport and tradition	<ul style="list-style-type: none"> • Historical main events that have relevance today. • Cultural sites, events etc. • Sport events, data etc. • Local traditions. • Famous people.
Territory and Environment	<ul style="list-style-type: none"> • Territory (surface; size; administrative division; territorial map). • Natural resources, green areas, creative areas, waste management, air quality , water resources, etc.
Local Government Administration	<ul style="list-style-type: none"> • Who is who in the administration. • Office structure. • Local Government services. • Main functions and responsibilities. • Local Finance and budget. • Local Taxes and fees.
Civil society	<ul style="list-style-type: none"> • NGOs number and structure. • NGOs activities.

Source: Swinburn, G and Murphy F (2004) `Making Economic Development Strategies: A Trainers Manual, for the World Bank, available at:
<http://www.worldbank.org/urban/local/toolkit/index.htm>

**TOOL ON
PERFORMANCE MANAGEMENT AT LOCAL
LEVEL**

TOOL ON PERFORMANCE MANAGEMENT AT LOCAL LEVEL

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Section 1 - Introducing Performance Management as a method to assist in improving public services

“*Performance management*” is a tool to improve the quality of public services for citizens. It allows an organisation to set out what it wants to achieve and how it will deliver its aims. Elected members, officers and the public will all be clear about what success will look like, such as improved roads, better waste collection services and improved recycling.

It may seem like a technical and complex subject but it is a logical process to better manage the delivery of public services. It will ensure that the best possible outcomes are secured from the limited resources that are available to those working in the public sector.

Performance management processes are increasingly used by national and local government in Europe to drive up the standard of services. The Council of Europe is promoting the improvement of services and delivering value for money through the development of performance management in local government.

Although many people may use the terms *performance management* and *performance measurement* interchangeably; they are different entities: performance measurement is about the past, and performance management is a method to manage the future delivery of services. This manual will lead you through the process so that the effective management of services leads to improved delivery for citizens.

Community strategies set out the vision and ambitions (aims and objectives) of a Municipality for the medium to long term future. In preparing the Community Strategy the Municipality needs to establish a clear understanding of what local people and other key stakeholders want. The vision and objectives are then reflected in Municipality plans and supported by programmes and projects which will enable the ambitions to be realised.

In order to ensure the successful delivery of the ambitions in a Community Strategy, it is vital to manage performance and give appropriate resources, including people and budgets. The management of performance is key to ensuring that everyone understands what is trying to be achieved. This requires establishing a systematic approach towards identifying, collecting and using performance information to monitor the achievement of targets and milestones in the Community Strategy and other Municipality plans and making people individually responsible for delivery.

1.1 Why manage the performance of services?

Why is managing the performance of services important?

- Citizens deserve and expect services of good quality. Taking a positive approach to managing services results in improved service standards.
- If performance information is available to the public local people can better understand the services being provided. They can see what services are performing well and where there are problems. This encourages local people to help look for solutions and get involved in democratic processes, thus strengthening local accountability.

- When performance information is available to managers and elected representatives, they can see the actual level of performance and how they might deliver better efficiency, effectiveness and value for money in specific services.
- Performance information should be available to the leadership of the Municipality. They have responsibility for the quality of local services, and can use the performance information to celebrate success or take corrective action. Performance information allows them to identify more clearly their service priorities and therefore where resources should be allocated.
- Performance information provides a Municipality with a basis for comparing its own performance in specific services both with best practice and with performance in other municipalities. This provides the leadership with the basis for rewarding and sharing their own good practice or introducing new initiatives to drive up standards even further.
- Performance information can show regionally and nationally how municipalities are performing and to what extent they are meeting national standards and delivering national targets.



- If you don't measure results, you can't tell success from failure
- If you can't see success, you can't reward it
- If you can't reward success, you're probably rewarding failure
- If you can't see success, you can't learn from it
- If you can't recognise failure, you can't correct it
- If you can demonstrate results, you can win public support
- What gets measured gets done

1.2 Summary of the benefits of managing the delivery of services

The benefits of applying the concept of performance management and monitoring the delivery of services are:

- To enable the Municipality to know whether it is making real progress towards the achievement of the vision of the Community Strategy.
- To communicate to citizens and stakeholders the progress that is being made in delivering the Community Strategy.
- To enable the Municipality and its managers to identify problems at an early step to enable managers to take appropriate corrective action.
- To enable the Municipality to review the content of the Community Strategy from time to time to judge how realistic programmes and projects are in practice and make adjustments as appropriate.

- To enable the Municipality to share information with the public about services delivery, and in doing so build local accountability and trust with the local community.

1.3 Setting a clear strategic direction

Those responsible for delivering public services need to be clear what it is that they need to achieve. This often involves working closely with the community to understand their aspirations and priorities.



The Municipality needs to be clear about what it is it wants to achieve and what local services will be delivering in the future. Setting the strategic direction requires a clear analysis of the current level of services and an understanding of what local people and other key stakeholders including central government want. Using this knowledge, performance indicators can be developed which cascade and link high level strategies to employee's personal targets.

It is vital that a Municipality establishes a set of performance indicators which it can control and has the ability to deliver. Performance indicators can also be set where the Municipality is working with others, such as utilities or private businesses, those targets should contain a mixture of individual and joint targets so that the overall objectives are clear and each organisation understands what they are expected to deliver.

In municipalities that prioritise well:

- there is evidence that stakeholders and the public have been involved to establish aims and priorities
- councillors are involved in setting strategic aims and in ranking them
- aims and priorities, and their relative importance, are clear and underpin the vision and overall aims of the Municipality
- resources are linked to aims and priorities
- aims and priorities have been communicated internally and externally
- aims and priorities are cascaded down to individual actions and there are systems to support monitoring of this activity
- clear milestones and measures underpin the Municipality's vision
- priorities and plans of others (such as utilities) reflect Municipality priorities and vice versa
- priorities are reviewed at appropriate intervals to reflect changing demands and current progress

1.4 Applying performance management at all levels within a Municipality

The delivery of services by a Municipality, and other related stakeholders, operates at a number of levels. Each level is supported by underpinning plans and strategies. This is shown in the diagram below:

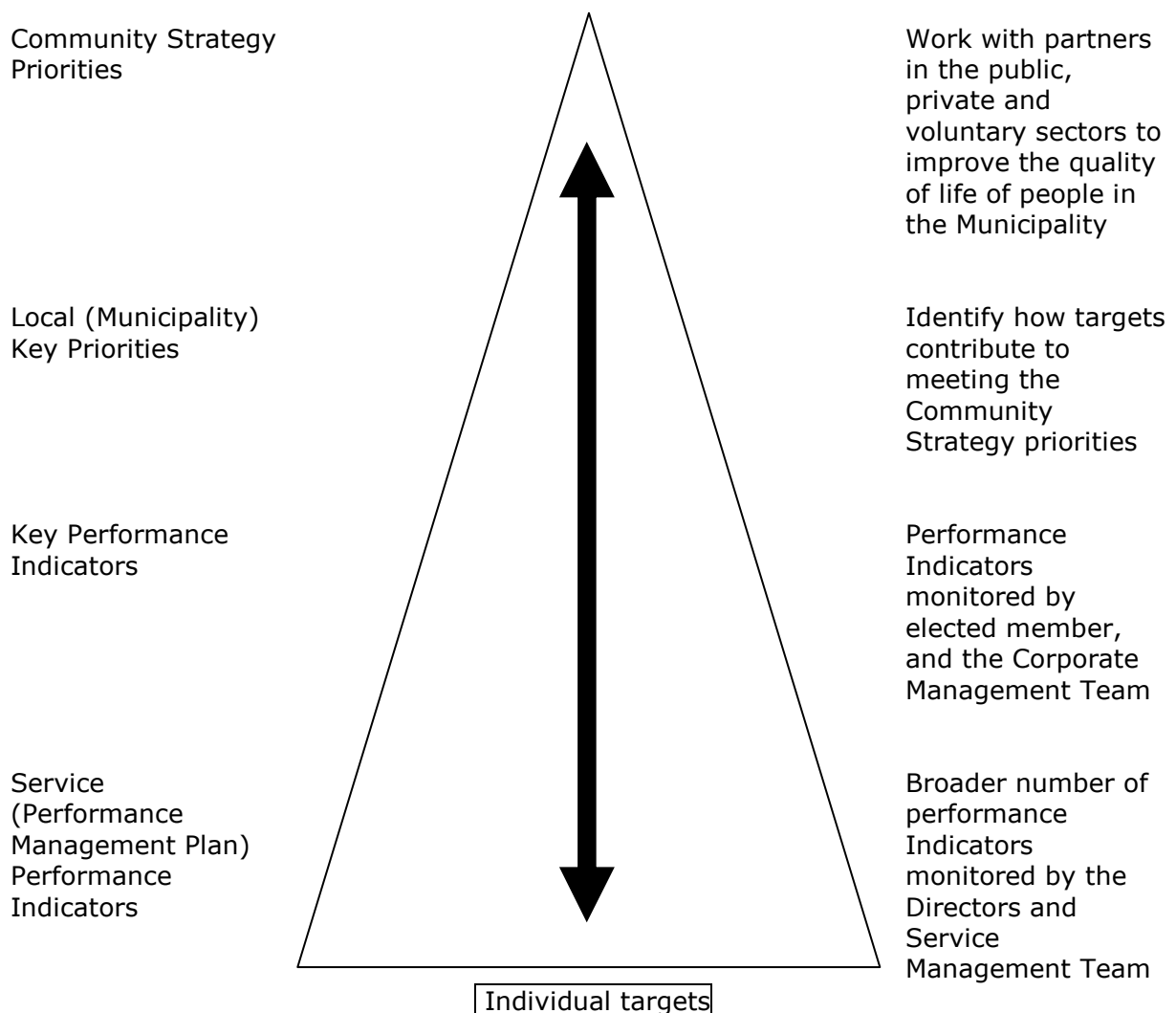


Performance is measured at each of these levels

Performance needs to be measured and managed at different levels within a Municipality. In this way the likelihood of delivering improved services are maximised. The levels where effective management is needed are:

- community level
- corporate level
- service level
- team and individual level

The method for measuring performance should link the different levels. The objectives and performance indicators at the lower levels should reflect the objectives and performance indicators at the higher levels.



<i>Type of performance indicator</i>	<i>Use of performance information</i>
<i>Level 1:</i> Community strategy priorities (usually long term indicators)	Vision for locality including socio-economic measures (e.g. unemployment rate) Partnership with civic society Strategic objectives Democracy and sustainable development
<i>Level 2:</i> Corporate indicators Targets that contribute to delivering against community strategy priorities (usually long and medium term indicators)	Strategic plans and priorities (monitored at strategic level – senior management team and elected members) Performance management system Corporate services (HR, finance, IT)
<i>Level 3:</i> Service indicators Operational objectives of quality of service and contribution to corporate indicators (usually medium term and short term indicators)	Service plans Service delivery Contracts Management
<i>Level 4:</i> Team / individual indicators (job and activity indicators) (usually short term indicators)	Staff targets Staff performance Staff appraisal

NB: Typical time span of indicators: long term indicators 5+ years; medium term 1 – 5 years; short term 1 year.

Example: performance indicators for delivering economic growth

<i>Community indicator</i>	Stimulate economic development through providing infrastructure requirements to deliver 1000 additional jobs by 2010/11.
<i>Corporate indicator</i>	Set aside 10% (XX Euros) of budget in next 3 financial years for delivering the infrastructure requirements.
<i>Service indicator</i>	Through a phased programme of development put in place the infrastructure for a business plan that delivers 200 jobs in 2008, 250 jobs in 2009 and 650 jobs by March 2011.
<i>Team indicator</i>	Have in place the specific work programmes and project planning – water & sewerage connections, energy supply and business units to deliver the service target.
<i>Individual indicator</i>	Complete the necessary utility connections in accordance with the project plan.

1.5 Types of Performance Indicators

To actively manage a Municipality's performance there first needs to be clarity over the overall strategic objectives. Supporting performance indicators can then be defined. The indicator needs to describe clearly what exactly is being measured and how. If the definition of a performance indicator can be interpreted differently by different people, the value of using performance indicators for comparison purposes will be partly lost.

For example, when defining the unit cost of a service, it is important that the definition specifies what cost elements (e.g. overheads) should be used to make up the unit cost. The definition should set out the mechanism for collecting the data where this is necessary to ensure uniformity.

National or local performance indicators?

Central governments in different countries have varying levels of control and monitoring of the delivery of services by local government. This is partly because local government is responsible for a significant proportion of public expenditure. Some governments such as in the UK set and monitor national standards for local public services.

National performance indicators should encourage uniformity by using standard definitions and procedures. This will enable robust comparisons of performance to be made between local authorities.

National performance indicators can stimulate municipalities into developing additional local performance indicators. However, it is important that municipalities are not overburdened with national performance indicators. Where applied, the number of indicators should be kept to a minimum, otherwise more effort could be made in collecting and managing performance than actually delivering services.

Municipalities will want to develop their own local performance indicators for local priorities as well as monitoring progress against any national indicators where they exist. It is easier to secure local ownership where performance indicators are locally developed: local ownership is essential if indicators are to be seen as more than a paper exercise.

The main types of performance indicators

The model below identifies four main types of indicators:

INPUTS →	ACTIVITIES →	OUTPUTS →	OUTCOMES
resources	processes	services	community impact (SUSTAINABLE)

The following are some examples of such indicators:

Input indicators provide information on the resources committed to a service in terms of finance, staffing, equipment, land and property

Activity indicators provide information on the processes, systems, cultures and procedures needed to deliver a service

Output indicators provide information on the performance of the service provided in terms of, for example, capacity, through-put and service level

Outcome indicators provide information on the impact the service has on users and on the wider community

- unit costs
- number of staff
- area of property or land in use
- trend in use of information technology
- response time to complaints
- speed of telephone answering
- number of service users
- number of hours of service provided
- passenger miles of transport services
- level of awareness of service
- proportion of service users to potential service users
- books lent by the library
- number of diplomas awarded
- increased level of public participation
- reduction in crime committed by young people
- reduction in long term unemployment
- trends in literacy levels

It is easier to measure inputs and activities than outputs and outcomes. The risk is that there are more indicators for inputs and activities. However, the most important indicators will relate to the outcomes. The Municipality will be judged by local people on the impact (outcomes) it has in the community.

Performance indicators can be either quantitative (changes in absolute values of unit delivery) or qualitative (measures of the quality of services such as satisfaction indicators)

For this reason it is important to identify a range of key performance indicators in the 'basket' of indicators of any one service or priority, including key performance indicators for outputs and outcomes.

<i>Economy</i>	What are the costs of the service?
<i>Efficiency</i>	What is the ratio of outputs to resource inputs?
	Together economy and efficiency indicators measure value for money. Economy refers to the cost of the resource (e.g. staff costs). Efficiency is about the relationship between inputs and outputs (e.g. unit cost for delivering a service)
<i>Quality</i>	Is the service achieving quality standards and user satisfaction?
<i>Effectiveness</i>	Do actual inputs and outcomes achieve our intended objectives?
	Quality and effectiveness indicators measure how far the service achieves defined standards and objectives. They are about whether the service has delivered the intended outputs and outcomes. They can also include indicators of user satisfaction and community participation
<i>Impact</i>	What net improvement does the service make to the quality of life of the local community?
	Impact indicators measure the effect of the service on the wider community, such as local economic development as a result of improved infrastructure
<i>Equity</i>	Is the distribution of benefits from the service equitable?
	Equity indicators measure, for example, the accessibility of the service to all social and ethnic groups in the community. This is an important measure in areas where there are communities with specific needs

The emphasis on performance indicators has changed in many countries. There is now greater emphasis on outcomes rather than outputs.

Characteristics of effective performance indicators

It is important to take great care in developing performance indicators. They have to play a constructive role in service management and accountability. There are certain characteristics that will determine their effectiveness.

Criteria for effective performance indicators:

<i>Relevance</i>	Indicators should measure aspects of performance that are important to the Municipality; they should reflect the interest of users and other key stakeholders.
<i>Credibility</i>	Data should be accepted as reliable and accurate by stakeholders and should be capable of being verified independently. It is important to consider carefully and in detail about how the data will be collected. Participation by relevant staff will help ensure this.
<i>Timeliness</i>	Indicators should be able to provide information to managers and policy makers when they need it, e.g. for budget decisions and for quarterly reviews of performance. The mechanism for collecting data, including timing and frequency, is important.
<i>Clarity</i>	Indicators should be simple, well-defined and easy to use; they must deliver clear messages.
<i>Focus</i>	A limited number of key indicators should be used that focus on the most important aspects of a service. Otherwise, performance management becomes a burden, not an opportunity.
<i>Comparability</i>	Performance data should be comparable over time and in comparison with other local authorities.
<i>Attributable</i>	It should be clear to what extent changes in performance data result from the Municipality's own activities, and not from external factors. Where the Municipality only has partial control, care should be taken in interpreting the performance information.
<i>Cost effectiveness</i>	It must be possible to collect performance data at reasonable cost and over a period of time.
<i>Responsiveness</i>	Indicators should not limit innovation. They should be able to respond to change.

Reference points – What is the starting point?

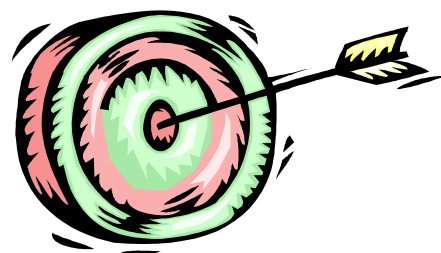
To be useful, indicators of performance have to be compared against one or more reference points. There are four main types:

<i>Baseline</i>	A baseline is an established starting point. This allows a comparison of present performance over time. It answers the question: <i>'How fast is performance improving?'</i>
<i>Minimum standards</i>	Minimum standards can be set nationally or locally. This allows a comparison of present performance with standards below which performance should never fall. It answers the question: <i>'Are we meeting our minimum obligations?'</i>
<i>Target</i>	Targets can be set nationally and locally. They give staff a performance goal; performance information can tell them how far they have travelled towards that goal. They answer the question: <i>'How much more do we need to improve in order to meet our objective?'</i>
<i>Benchmark</i>	A benchmark sets out the performance level of, say, a group of the best-performing local authorities or a set of agreed standards; this allows a Municipality to compare its performance within local government or against a recognised level of performance. It answers the question: <i>'How good is the service compared to similar services elsewhere or against the recognised standard?'</i>

1.6 Attributes of Robust Performance Indicators

A performance indicator should:

- Relate to a corporate or service objective
- Be challenging
- Be easily understood
- Have the commitment of staff
- Be linked to resources
- Be linked to individual action plans
- Performance indicators should have the following attributes:
 - **Specific:** Clear, unambiguous and easy to understand by those who are required to achieve them.
 - **Measurable:** Set a target for which success can be gauged by referring to a specific measure or measures. Establish workable processes for the timely collection of the information. Ask yourself the question 'can I prove it?'
 - **Achievable:** Express specific aims that staff feel can realistically be achieved, with some effort. Ask staff involved if it is achievable. Involve staff in the process and ask them what needs to be done to achieve the



target. Always consider available resources and priorities when considering achievability.

- **Relevant:** Targets need to be relevant to those who will be required to meet them; they must have enough control over their work to be able to meet their targets. There is a delicate balance to be struck between ambitious targets that inspire and challenge people to achieve them, and targets that are un-achievable, which can lead to people giving up.
- **Timed:** There should be a set timescale for achieving a target; open-ended targets do not encourage a focused effort on improving performance.

There needs to be a clear link between corporate objectives, departmental, team and personal goals if progress is to be made against performance indicators. There also needs to be a clear link between indicators set at each of these levels. For example if there is a service indicator requiring a 10% improvement but indicators applied to individuals do not reflect this, then there is a risk that the overall service indicator will not be met.

1.7 A Practical Example

Many eastern European countries have seen the benefit of establishing Public Information Offices (PIO).

It is important to monitor the outcomes of the PIO to ensure they meet the expectation of those that use them, both in the range of services offered and the effectiveness at which services are provided to those that need them.

Why measure the performance of a Public Information Office (PIO) / one-stop-shops?

- Understand the drivers of staff and customer satisfaction and develop measures to improve both;
- Improve on the value-for-money efficiency of contact centres;
- Share best practice methods and experiences;
- Understand what best performance looks like;
- Develop better indicators together;
- Have a clear view of the performance of public services.

Performance indicators and targets could include:

- X% of telephone calls answered within 1 minute;
- X% of customers seen within 15 minutes;
- A target of 80% of enquiries resolved at first point of contact;
- Reduce avoidable contact by at least 50%;
- Increase the number of actions delivered by the PIO from x to y (or increase the percentage of overall transactions undertaken by the PIO from X% to Y%);

- Increase satisfaction with the PIO from X% to Y%;
- Time spent to undertake a transaction in the one-stop-shop.

This means that the operation of the PIO can be demonstrated as improving accessibility to services.

1.8 The Performance Table

A template that can be used that encourages the key aspects of performance management to be included is shown below.

<i>Target</i>	<i>Activity/ milestones</i>	<i>Time- scale</i>	<i>Performance Indicator</i>	<i>Monitoring arrangements</i>	<i>Budget</i>	<i>Outcome</i>	<i>Responsible Person</i>

Examples of completed tables can be found in Part 2.

1.9 Monitoring, reporting and developing a performance culture

Making performance information available

Each year municipalities should set out their performance and plans which include indicators in an Annual Report. Some countries publish the plans and make them available for public debate and feedback.

Performance information should also be made available to elected representatives, staff and other stakeholders through information technology. The government or the National Association could develop the necessary databases on the internet to allow comparisons to be made in the relevant corporate and service areas. Each Municipality should have its own website showing what it aims to achieve and what process has been made against this.

Information should be presented in a way that facilitates analysis and comparison, and simple techniques, like traffic lights, can be used to identify when performance is improving, steady or declining.

Developing a performance management culture

Everyone in a Municipality has responsibility for performance management – but leaders must drive it. What they say and do sets the tone for everything that happens within the Municipality. Priorities should be agreed and clearly communicated throughout the council. When making decisions, leaders need to be seen using performance information if others are to become committed to using the systems that provide the information. Leaders at all levels must also be willing to understand the barriers to improvement and provide the necessary support to solve problems.

Leaders and champions, those who embrace and encourage others to use performance management, are needed at all levels.

Strong leaders and managers are clear about what kind of performance they expect and communicate the importance of everyone's contribution towards meeting corporate and community ambitions.

The leadership of the Municipality must seek to develop a culture conducive to performance management.

It is possible to identify key elements in a performance management culture:

- A commitment by the leadership and managers to effective strategic planning and service planning.
- A willingness by the leadership and managers to accept bad news, learn from mistakes and take action to address performance problems.
- A focus on a small number of well-defined priorities and related performance indicators.
- A clear link between corporate priorities, performance indicators and targets, service plans and staff appraisal and reward systems.
- A clear and effective process for communicating the importance and use of performance management throughout the organisation.
- The publication of performance data in the public domain (e.g. in an Annual Performance Report) in an attractive and understandable way.
- Widespread understanding and ownership of the Municipality's performance management system.
- Encouraging managers and staff to achieve targets.
- A willingness to celebrate personal and team achievement.
- A close tie-up between performance information and key strategic and budget decisions.

Tool to develop a performance management culture

For many organisations performance management will be a new tool for improving public services. In developing performance management the following questionnaire was used to identify what the Municipality has in place. Using this knowledge performance management has been developed in services and across the whole organisation.

Please rate the following points on a scale of 1 - 5

1 = not at all, 2 = not very, 3 = quite, 4 = very, 5 = totally

1.	Does the authority have clear corporate priorities?	1	2	3	4	5
2.	Are priorities informed by local consultation and analysis of local needs?	1	2	3	4	5
3.	Is delivery of the priorities measured?	1	2	3	4	5
4.	Are there service plans and action plans to support delivery?	1	2	3	4	5
5.	Are the plans comprehensive and have clear targets?	1	2	3	4	5
6.	Are the plans monitored regularly and action taken if they are not being delivered?	1	2	3	4	5
7.	Do you have any performance management systems?	1	2	3	4	5
8.	Is the performance information used?	1	2	3	4	5
9.	Do resources link to the priorities?	1	2	3	4	5
10.	Is there an annual report which sets out the results of monitoring of outcomes and examines performance against priorities?	1	2	3	4	5
11.	Are there targets for individuals to deliver their part in plans?	1	2	3	4	5
12.	Do you think performance management would help you improve services?	1	2	3	4	5

Example of annual timetable for setting and monitoring performance

Once an analysis of performance management arrangements has been undertaken the following is an example of an annual timetable for a Municipality which could be implemented.

It will vary between organisations depending on local circumstances such as resources and staffing capacity. The timetable identifies the importance of the role of elected members, all staff and the public in identifying the priorities and monitoring to support delivery of improved services.

<i>Month</i>	<i>Activities</i>
April	<ul style="list-style-type: none"> Review of previous years targets Development of corporate and service plans (then agreed with elected members)
May	<ul style="list-style-type: none"> Link corporate / service / individual targets as part of target setting process
June	<ul style="list-style-type: none"> Yearly monitoring of performance and service plan activity to management team and elected members
July	<ul style="list-style-type: none"> First quarter performance reporting (April – June) to elected members and senior management
September	<ul style="list-style-type: none"> On-going review of performance and corrective action taken if necessary Commence consultation with public regarding priorities.
October	<ul style="list-style-type: none"> Second quarter reporting to CMT and members (July – September)

<i>Month</i>	<i>Activities</i>
	<ul style="list-style-type: none"> • Half yearly progress report against action plans • Performance appraisals
November	<ul style="list-style-type: none"> • High-level performance monitoring to elected members
December	<ul style="list-style-type: none"> • Consultation on performance indicators for the next year • Priority Consultation with elected members informed by outcome of public consultation
January	<ul style="list-style-type: none"> • Third quarter performance reporting (October-December) to senior management and elected members
February	<ul style="list-style-type: none"> • Setting / Reviewing priorities • Complete performance target setting and review next year's performance indicators to ensure achieving improved services • Finalisation of performance targets and outcomes for next financial year • Training and Development Plan agreed and budgeted
March	<ul style="list-style-type: none"> • End of financial year • High-level performance monitoring to members • Production of performance summary for the year (Annual Report)

A checklist for developing performance targets

Does the target reflect the Municipality's priorities aims and objectives?	
Does the target link to service plans and individual targets?	
Have staff at all levels been involved in target setting?	
Have elected members been involved in the target setting process and approved the targets set?	
Have you compared your target with last years performance?	
Have you analysed previous results and used that information to inform your target setting?	
Have you ensured the target is supported by strategies and plans and financial planning (including medium term plans)?	
Have you established ownership for reporting the results of the PI on a regular basis?	
Can you measure the target that has been set and prove the outturn figure?	
Are there national target setting standards that must be applied?	
Have you set targets for the next 3 years?	
Have you considered operational issues that may mean targets need to be set at a lower level than achieved in a previous year?	
Is progress towards achieving the target regularly monitored?	
Have you reviewed local indicators?	
Do your local indicators reflect your service plan and the current priorities for service delivery?	

Have you introduced procedures for monitoring performance throughout the year?	
Do you ensure that the end of year report is published only once you have validated the supporting information?	
Does the monitoring report form an integral part of team meetings?	
Does monitoring lead to action plans and revised targets and resource allocation	

1.10 Avoiding Pitfalls

Risks in developing a process of performance management to improve services

The main risks relate to attitudes.

- The need to report on specific performance indicators can distort the behaviour of service managers. There is a tendency to focus on those aspects of the service being measured (often inputs rather than outcomes) at the expense of other aspects. For that reason it is better to use 'baskets' (a selection) of indicators so that data on all the main dimensions of a service are covered and to limit the number of indicators.
- Some performance indicators will be influenced by factors outside the control of the managers or the Municipality (e.g. cuts in the overall budget). But in understanding performance, these factors must be taken into account.
- Some managers might take action, sometimes dishonest, to improve specific performance data where it is in their interest. Internal and external audit can reduce the level of dishonest reporting.
- Validation of performance data is important. But external audit can be expensive, and too much audit can reduce the local ownership of performance management. On the other hand, every Municipality should have some internal audit capacity that can support (rather than control) the development of a robust performance management system without losing local ownership.
- Competent managers will want to add their own performance indicators in the light of local circumstances. It is important to keep the number of obligatory performance indicators relatively small (i.e. just limited to the most important priorities).
- Staff can be de-motivated where performance information shows that service provision is poor. Staff should see performance management as an opportunity to improve, to learn from others. In this way, they themselves learn and develop.

It is important to avoid these risks if staff and elected representatives are to use performance management pro-actively to drive up the standards of service provision and not reactively merely as a paper exercise in reporting.

These risks highlight the need for systems to manage performance to be carefully designed and to be introduced with sensitivity. They have to be seen as a tool for local authorities to raise the standards of service provision and not as a mechanism for greater external control.

<i>Pitfalls</i>	<i>How to avoid them</i>
Indicators which merely focus on maintaining the current position can result in them not being ambitious enough.	Consider a stepped programme of change. It is useful to start by considering highly ambitious targets for improvement, then asking: <ul style="list-style-type: none"> ○ is anyone achieving these targets – and if so, how? ○ can we see a way of achieving the targets? ○ what changes must we make to do this? ○ can we make the changes that are necessary?
No responsible officer: Without a responsible officer you won't have the mechanism for reporting performance, measuring achievement, reviewing indicators and achieving continuous improvement.	Ensure you have allocated responsible officers to manage achievement of targets and change programmes. Have more than one officer capable of providing the information when required.
Failing to put in place a robust system for collating performance information.	Design collection techniques that involve properly researched information gathering arrangements in advance of setting targets. Monitor the collection of this data to ensure it is robust.
Failure to monitor performance on a regular basis at operational level. There can be a tendency to just check up on performance quarterly when a report is being made. This can result in performance slipping to unacceptable levels in the interim periods and recovery impossibility.	Operational monitoring may need to be done on a timelier basis. Prioritise and consider monitoring by other means. Inclusion in team meetings or individual assessment meetings.
Not keeping on top of prioritised areas. Priority areas and key performance indicators can sometimes overshadow the non priority areas.	Put in place regular monitoring systems for all performance indicators. Frequency of monitoring will depend on priorities and performance.
Not reviewing local performance indicators.	Local performance indicators and local target setting is an ongoing process and should be subject to continuous review to reflect priority service delivery and provide relevant information to the public.
Not setting targets for new performance indicators. Failure to set a target can mean the performance indicators gets forgotten and by end of year you realise you have no collection procedures in place.	Ensure ownership of performance indicators at earliest opportunity. Establish processes for collection of data. Use any previous information you have.

Glossary of terms

<i>Performance Management</i>	Process by which an organisation plans and monitors the delivery of improved services for citizens
<i>Performance Measurement</i>	Monitoring and collecting data on the performance of services
<i>Performance Indicators</i>	Measures by which progress against an activity can be monitored
<i>Time-scale</i>	The period over which a project or activity will be delivered
<i>Vision</i>	Long term ambition of the Municipality, set out in a community strategy
<i>Indicator</i>	A specific performance measure
<i>Stakeholder</i>	Individuals or groups of people with an involvement in the delivery of service (utility companies, citizens, interested groups etc)
<i>Objectives</i>	The set of actions the Municipality aims to deliver for improving public services, these underpin the priorities
<i>Priorities</i>	The stated aims of the Municipality, set through consultation with the community and other stakeholders
<i>Input indicators</i>	Provide information on the resources committed to a service in terms of finance, staffing, equipment, land and property
<i>Activity indicators</i>	Provide information on the processes, systems, cultures and procedures needed to deliver a service
<i>Output indicators</i>	Provide information on the performance of the service provided in terms of, for example, capacity, through-put and service level
<i>Outcome indicators</i>	Provide information on the impact the service has on users and on the wider community
<i>Baseline</i>	A baseline is an established starting point. This allows a comparison of present performance over time
<i>Benchmark</i>	A benchmark sets out the performance level of, say, a group of the best-performing local authorities or a set of agreed standards; this allows a Municipality to compare its performance within local government or against a recognised level of performance

Section 2 - Examples from Albania, Serbia, France and England

The Council of Europe has been working in a number of countries including Albania and Serbia in the framework of cooperation programmes, as well as in France and in Great Britain.

The following performance tables have been developed from working with municipalities on the performance management programme.

• Albania

<i>Target</i>	<i>Activity/milestones</i>	<i>Time-scale</i>	<i>Performance Indicator</i>	<i>Monitoring arrangements</i>	<i>Budget</i>	<i>Outcome</i>	<i>Responsible Person</i>
50% increase in the number of green areas in the city.	Enlarge by 200m ² per year of the city green space/parks from 2010. <i>Baseline:</i> The green areas are 1800 m ² .	December 2015	1000 m ² new green spaces up to the year 2015. Broken down to annual indicators	Monitoring the increase of green space twice a year and reporting to the Mayor	5.000.000 leks	The green space increase by 50% improving significantly the environment and the image of the city. Increasing citizen satisfaction	The chief of the public services unit

The approach can also be used for smaller scale projects, not just long term strategic objectives as is seen below.

<i>Target</i>	<i>Activity/milestones</i>	<i>Time-scale</i>	<i>Performance Indicator</i>	<i>Monitoring arrangements</i>	<i>Budget</i>	<i>Outcome</i>	<i>Responsible Person</i>
To organize an annual Wine Fair involving more local businesses	Organizing annually the Wine Fairs <i>Baseline:</i> 50% of wine & culinary businesses currently participate and promote their products in the Fair	May 2010	80% of wine & culinary businesses participate and promote their products in the Fair.	Monitoring the participation of wine, and culinary businesses in the Fair through a survey of participants	2.600.000 leks	The improvement of wine, and culinary business climate in Permet and increase of opportunities for the domestic businesses.	Public services chief.

• **Serbia**

<i>Target</i>	<i>Activity/milestones</i>	<i>Time-scale</i>	<i>Performance Indicator</i>	<i>Monitoring arrangements</i>	<i>Budget</i>	<i>Outcome</i>	<i>Responsible Person</i>
Improved transport infra - structure	1. 30Km roads repaired 2. 100Km roads repaired Implement range of congestion reduction measures Enforce parking restrictions on main routes. Develop clear standards for acceptable conditions of highway (free from holes for example)	March 2008/09 March 2010/11 April 2009 April	Improved condition of the highway network as determined against agreed standards. Average travelling time reduced in travelling from X to Y from 40 minutes to 30 minutes at peak times.	Quarterly monitoring of road network against agreed standards. Sample travelling time quarterly to demonstrate improvements in transport infrastructure. Survey of businesses to determine impact of improvements.	XX Euros	Improved transport infrastructure encouraging business development. Improved satisfaction with transport network	XX

• **France**

Under the programme on performance management at local level implemented in Serbia between 2007 and 2009, 6 French local or regional pilot authorities (**Bricquebec, Le Creusot, Nevers, Suresnes, Territoire de Belfort and Boulogne Billancourt**) conducted activities giving a measure of the progress made with their action in five sectors of local government. The table below is a compilation of the proposals prepared by these authorities.

Case study 1 : The authority's contribution to local economic development

Activity fulfilling theme / objective set	Specific objective	Performance indicator	Measurement technique used	Responsible person	Result
Construction of a light industrial estate	Settling tradesmen in a dedicated area Obviating the disadvantages of town centre locations (space, parking)	Number of established tradesmen setting up in the area Elimination of cars used by tradesmen's employees and freeing of space for other businesses	Quantitative	Mayor	10 tradesmen in light industrial area Zone fully occupied Fewer cars and more turnover in parking around shops
Development	Aiding the accommodation of new activities	Occupancy of the areas	Adding up the investments made	Economic development officer	13 enterprise zones in existence

of enterprise zones	in the territory and developing existing enterprises	Budget for their development			67,437 m2 of sites for economic activity on sale
Vitalisation of the economic fabric	Developing the fabric of enterprises established in the territory to aid employment in the authority's labour catchment	Number of development projects Unemployment rate	Survey of actions carried out under the allocated budget Trend of the unemployment rate (national labour exchange data)	Economic development officer	16.4% reduction in jobseekers 250 potential jobs over next 3 years
Prospecting	Identifying schemes to create activities	Number of on-site prospecting visits, installations and estimated jobs	Participation in fairs, economic promotions, mailings	Association director	5 industrial companies set up over one year and 80 estimated jobs
Mobilisation of financial support	Aiding creation or development of economic projects	Number of applications for subsidies followed up	Annual profit and loss accounting	Director Economic development officer	169 applications by enterprises followed up
Enterprise Creation / Resumption Service	Aiding inception of initiatives Providing safeguards for conveyance of enterprises	Socio-economic effectiveness: success rate of projects assisted Managerial efficiency: - average management cost of a completed scheme for creation or resumption - percentage of expenditure on support functions compared to overall appropriations for the activity	Statistical data derived from internal management systems: number of projects completed / number of projects submitted Unit cost expressed by ratio of resources expended to activities conducted or services delivered Percentage of outlay on support expressed by ratio of support costs to appropriations administered	Agency head	Short-term effect: small-scale enterprises maintained, possibly developed Longer-term effect: contribution to reduction of unemployment, chiefly among young people and over-50s

Physical planning	Maintaining established enterprises and accommodating new enterprises (Local Urban Development Plan/balanced development agreement between state/locality)	Socio-economic effectiveness: occupancy of the new spaces provided	No. of m ² occupied/no. of m ² created	Town planning department manager	Impact: number of jobs created at n+1, n+2
Collective action	Delivering on-the-spot training in keeping with the locality's needs and the enterprise's time constraints – Adaptation to job	Relationship between resources invested in the action and results obtained Effectiveness: results generated by the collective action/main objective of the action	Budget/jobs filled No. jobs filled/no. jobs vacant	Lead agency of collective action scheme	Impact: number of jobs consolidated and created
Enterprise and Employment Centre (MDEE)	Assembling the partners (labour exchange + unemployment benefit fund + local authority) Furthering work with the associations	Employment situation with employers Responsiveness to a situation Co-ordination of actions	Internal statistics External criteria in preparation	Director of Enterprise and Employment Centre	Diminishing unemployment rate Growing number of enterprises
Light industrial estate	Ensuring commercial diversity Now and in the future (cf. Société Anonyme d'Economie Mixte viz. consortium)	Ensuring an affordable real estate price for new tradesmen Number of tradesmen settled Helping tradesmen achieve alignment of leases with market	Comparison with proportion of small business owners present on free market	Enterprise and Employment Centre Deputy Director General of "Employment , Solidarity and Housing Pole"	Positive

Urban development	<p>Operation to develop a new district</p> <p>Balanced planning</p> <p>Integration with existing fabric</p> <p>Sustainable development</p>	<p>Implementation schedule</p> <p>Compliance with financial objectives</p> <p>Compliance with environmental objectives</p>	<p>Logging of implementation and financing</p> <p>Annual Activity Report to local authority</p> <p>Agreements on the environmental aspects (energy consumption)</p>	<p>Consortium + Correspondents in municipal services</p>	<p>Comparison of Activity Reports</p> <p>Performance regarding management costs</p>
Proximity of the economic and social spheres through contractual undertakings between the département council / employer / employee ("Département Job Access Contract")	<p>Developing an original device in aid of employment</p>	<p>Number of employment contracts concluded</p> <p>Number acceding to contracts of indefinite duration</p>	<p>Statistics</p> <p>Meeting with enterprises</p>	<p>Director of Integration Department</p>	<p>100 contracts in 2007, 300 foreseen in 2008</p>
Maintenance of département road network	<p>Multi-year application of coatings and road surfacing; re-profiling and engineering</p>	<p>Verification of results against objectives</p>	<p>Number of km built</p> <p>Number of engineering works dealt with</p>	<p>Director of Roads</p>	<p>Annual review of the operation</p>

Case study 2 : Local/regional authority's communication with citizens for better participation

Activity fulfilling theme / objective set	Specific objective	Performance indicator	Measurement technique used	Responsible person	Result
Annual neighbourhood meetings	<p>Receiving residents' requests, remarks and opinions</p>	<p>Number of meetings organised per year</p>	<p>Record of proceedings</p>	<p>"Urban Policy" department</p>	<p>Replies to citizens</p>

Initiating a new mode of decision through public consultation	Conducting public consultation meetings: young people, secondary students, enterprises, neighbourhoods Thematic workshops with residents	Attendance at meetings Partners' satisfaction Information on the consultation process	Prior qualitative survey Attendance sheet Questionnaire on satisfaction Consultation of the local website Sociology of participants	Director of Mayor's personal staff "Public Affairs" Consultancy	150 persons present at last meeting Majority satisfied, minority of objectors Expectation of tangible results
Rallying local players and citizens around an ambitious yet realistic perception harnessed to the vitality of the town	Arriving at general guidelines for mobilising all local players; professionals, citizens, associations, youth	Partners' contributions New ideas Convergent ideas Publicity documents Diversity of players Youth involvement	Number of notes and on-line contributions completed by participants Number of general guidelines identified Questionnaire on satisfaction	Director of Mayor's personal staff Director of Communication	4 themes chosen: communal living, surroundings, economy and employment, identity and outreach 20 guidelines validated by Mayor and municipal council Presentation of urban project and release of publicity document
Laying plans of action in partnership for implementation of the above	Working groups set up Long-term partnership agreements drawn up concerning the guidelines identified	Partners' dedication and diversity Implementation of guidelines by means of action plans	Number of participants Sociology of the partners Number of action schedules drawn up Number of agreements made	Director of Mayor's personal staff	2008
Publishing 4 page brochure "Associations" Interviewing two local associations / month, transcribing interviews, taking delivery of mail/e mail; small ads for	Letting the players in the local voluntary sector have their say and present their actions, goals and projects Giving this supplementary input a practical facet via	Positive feedback	Number of messages and telephone calls extending the thanks of the associations for articles published and encouragement to persevere Impacts regarding	Staff	

the "Info Flash" and rewriting	announcements and practical information		membership increase following publication Number of associations asking to appear in a "helping hand" supplement		
Creating a municipal website	Advertising of child minding services Personalised e-mails E-library On-line reservation of activities	3 000 connections per day on average	Statistical tool	Staff	
Local procurement unit	Rationalising costs to balance the quality/price/lag ratio	Comparison of prices before and after bargaining	Constitution of records of profit and loss : cumulative chart	Staff	Aggregate profits/losses: - 20%
Public procurement portal	Enabling enterprises to receive more speedy and regular information on calls for tenders issued, by withdrawal of the corresponding bidding files and transmission of bids with complete propriety and confidentiality to encourage dematerialisation of withdrawal procedures	Ratio for number of dematerialised procedures Ratio for number of bids submitted on line Monitoring of registrations on the procurement platform	Counting	Scrutineer of public contracts, procurement platform adviser	95% of procedures dematerialised 8% of replies on line 5800 enterprises registered (i.e. 61% increase in 2 years) including 380 local enterprises

Case study 3 : Internal communication for mobilising staff

Principal objective	Activity fulfilling theme / objective set	Specific objective	Performance indicator	Measurement technique used
Fostering personal effectiveness	Organising induction days for new recruits	Affording access to all decisions taken (on organisation,	Relevance of information received by staff according to	E.g.: Extent and level of application of new method or procedure

and integration	<p>Circulating staff memoranda</p> <p>Flash Human Resources</p> <p>Induction booklet</p> <p>Intranet</p>	procedures, resource management ...)	<p>level of seniority</p> <p>How well the regular dissemination of information meets the staff's evolving informational needs</p> <p>Level of confidence felt by staff in fair application of the same rules</p>	<p>Inquiries</p> <p>Ratio of no. of staff requests /number of documents dealing with request</p> <p>Staff satisfaction level</p> <p>Determinations of the social climate</p>
Fostering collective effectiveness and pooling of skills	<p>Organising meetings for exchanges at the various tiers of authority and trans-sectoral levels</p> <p>Organising "window on" type operations on a given topic</p> <p>Intranet</p>	Encouraging the expression of everyone's needs and expectations at all levels to for better adjustment of organisation to specific objective	Management team's capability at the various levels for listening to and /or consulting staff	<p>Number of meetings actually held out of number to be organised</p> <p>Number of meeting reports/number of meetings</p>
Winning the conviction and support of all municipal staff for the local enterprise project and its objectives	<p>Producing the in-house newspaper "Trait d'union"</p> <p>Organising seminars for professional staff and middle management</p> <p>Intranet</p>	Increasing motivation and staff loyalty	<p>Level of "loyalty"</p> <p>Level of presenteeism</p>	
Encouraging teamwork	<p>Releasing Flashes on actions/projects</p> <p>Organising staff working and concept groups (blend of levels of responsibility and career streams)</p> <p>Intranet</p>	Optimising the "project mode" and allowing managerial change to proceed	<p>Readership of the flashes</p> <p>Effects of the improvements made in terms of satisfaction of the stakeholders in the project</p> <p>Rate of success of projects within the specified time</p>	

Case study 4 : Waste recycling: all citizens committed?

Activity fulfilling theme / objective set	Specific objective	Performance indicator	Measurement technique used	Responsible entity	Result
Provision of a selective disposal facility operating by voluntary input	Permitting better sorting of waste and averting fee increase through enhanced recycling	Trend of tonnage and fee	Weighing tickets Communication with users and schools Provision of a sorting guide	Mayor	10% reduction of tonnage and no fee increase
Household refuse collection by "streams": 2 for collective housing, 4 for detached housing	Improving the sorting of household refuse at source	Monthly tonnages according to stream	Collection of weighing tickets at processing plant	Waste disposal officer	In 2007: Fermentable substances (28%), containers (11%), paper, cardboard (15%), sorting in collective housing (7%), residual household refuse (39%)
Collection of glass at voluntary bottle banks	In 2007: 35 kg / resident/ year	Tonnage per resident per year % of deposit	Weighing of refuse collection vehicles	Waste disposal officer	In 2007: 2 786 tonnes collected, or 30 kg / resident
Selective disposal centres	1 Providing users with recycling channels for classes of waste not collected door to door 2 Curbing unauthorised tipping	1 Minimum ratio consistent with objectives set under the support contracts (tonnages per stream and per resident) 2 Number of complaints	1 Collection of weighing tickets at the various disposal or processing sites. 2 Routing of complaints received at the call centre (freephone number) according to subject	1 Waste co-ordinator 2 Head of contact unit	Principal results 2006: 13 000 T bulky materials, 1 400 T cardboard, 1 900 T scrap metal, 7 500 T green waste, 4 700 T rubble, 260 T special household waste
Waste processing	Recycling and reuse of waste Ratios stipulated by eco-packing contract	Rate of reuse per product Rate of rejection	Recording of tonnages for inward and outward movements at the plant and in the processing centres	Waste disposal officer	For 2007: rejection rate 32.4%

Distribution of door-to-door collection bags	Raising citizen awareness about selective disposal Reducing the number of collection bags	Number of homes visited Number of bags distributed	Compilation of a "users" register	Distribution team leader	From 1 August 2007 to 15 January 2008: 80% of homes visited
Information points in two central towns	Bringing the service to the users Selective disposal awareness Informing users	Number of citizens received per information point Nature of complaints	Compilation of a register of complaints	Head of contact unit	Established in November 2007: 40 clients / day/ info point
Freephone call centre	Informing citizens Considering their complaints	Number of calls Nature of calls	Compilation of a register of complaints	Head of contact unit	Number of complaints received in 2007: 5 461
Household refuse collection	Selective collection	Number of kilos per year per resident of recycled waste	Weight of skips when emptied		
Collection of bulky items and other unauthorised dumping	Measuring volume of waste deriving from improperly dumped bulky items	Tonnage collected in a round of 2 hours on average per neighbourhood	Volume of bulky items collected	Collection service	Average of 700 / 800 kg per neighbourhood
Cleaning up dog droppings	Appealing to each dog owner's sense of responsibility / cleanliness of public spaces	Provision of dog dropping disposal bags: quantity distributed	Number of dog owners reached by recommendations	Cleaning service – road maintenance operatives	Some fifty
Combating of graffiti and fly-posting on street furniture	Spreading information about prohibition and necessary limitation	Number of surfaces and items of street furniture cleaned	A perimeter for each district and along main thoroughfares	Cleaning service	A hundred or so posters and graffiti
Raising awareness of selective disposal	Explaining the eco-civic actions of waste sorting and the recurrent errors	Checking with the selective disposal organisers that each yellow skip meets the requirements for recycling materials	Instruction and practice in apartment buildings and residences and for caretakers	Selective collection – organisers	Number of skips accepted for recycling

Case study 5 : Municipal staff management aimed at greater efficiency

Activity fulfilling theme / objective set	Specific objective	Performance indicator	Measurement technique used	Responsible entity	Result
Creating a digest of official policies	Evaluating official policies by policy aims Improving comprehensibility of local policy action		Annual reviews	General Directorate Budget and Finance Directorate Directorate of Organisation and Information Systems	Better apportionment of resources according to priorities
Introduction of objective-setting contracts for each Directorate	Switching from a rationale of means to a rationale of ends	Level of achievement of objectives set at start of year Planning of tasks	Management charts: Evaluation of objectives achieved per action Determination of the difficulties encountered Annual review by Directors General	General Directorate Budget and Finance Directorate Each Directorate signs an objective-setting contract	Objective-setting contracts signed by Directorates Random levels of achievement according to the objectives Draft annual review
Installation of "Planoramic" collaborative project management software	Pooling of resources for each official policy Improving continuity of projects	Continuity and conduct of steps in projects	Number of strategic projects included in the arrangement Number of "small projects" included ad hoc	Mayor's personal staff General Directorate Directorate of Organisation and Information Systems Strategic Organisation and Planning Group	Evaluation of projects for each official policy

Service to clients Service quality charter	Information/Satisfaction of clients	Call centre (answering rate) Mail reply lag Monitoring of receptionists	Audits Quantitative measurements	Staff Head of citizen reception service	"Qualiville" certification for quality of municipal administrative services
Staff management: example of Full Web and GPEC (forward management of human resources)	Improving information to staff		Decree of January 2008	Staff Human Resources Director	Compliance with the law of February 2007
Internal communication for municipal staff	Informing staff at all locations Communicating about up-to-dateness of services Developing a corporate culture	Number of Intranet connections (per article) Participation in forum Staff proposals for articles	Instant counting Classification of articles according to popularity Life of the forum (contributions) Satisfaction survey	Staff Deputy Director of Communication	Flow of communication (form and substance) for the better information of staff agents Staff satisfaction in monthly newsletter "Au fil des mois"

• **Great Britain**

Target	Activity/milestones	Time-scale	Measure of Success (Performance Indicator)	Monitoring arrangements	Budget	Outcome	Responsibility
Improved street cleanliness	<ol style="list-style-type: none"> 1. Develop clear standards for cleanliness of public open spaces and highways 2. Set targets against which standards are met across the municipality. <ul style="list-style-type: none"> • Targets for cleanliness (% of area with litter & levels of public satisfaction) 3 Put in place a clear programme of street and public open spaces cleaning (April 2008) 	<p>April 2008</p> <p>April 2008</p>	<p>Initial level of cleanliness and public satisfaction determined</p> <ol style="list-style-type: none"> 1. 40% of the highway is clean and has acceptable level of litter 2. 40% of public consulted are satisfied with standards of public open space <p>Target for annual increase in standards and satisfaction set</p> <ul style="list-style-type: none"> • 50% of highways in acceptable condition in 2008 • 50% of public satisfied with standards of public open space. 	<ul style="list-style-type: none"> • Annual survey of public satisfaction (random survey of 500 people) • Quarterly of a sample of open spaces and roads. 	XX Euros (for street cleaning and satisfaction survey)	Improved standards of public open space encourages economic vitality of the municipality.	

Section 3 - Conclusions

Effective performance management supports and develops public services to provide better outcomes for citizens and service users than would otherwise be achieved.

Performance management is a continuous process that helps to deliver lasting improvements to public services for local citizens. It can also be a catalyst for improvement by challenging what is expected of services. It involves measuring and monitoring actual performance and taking action to ensure the delivery to support achieving priorities. Good performance management helps elected representatives to make informed decisions on future priorities and resource allocation. It also helps the public to know if services are good and it will support elected members to make decisions and focus on key issues.

Measuring the achievement of performance is an important part of the delivery of public services. It is important to set clear meaningful indicators at all levels so that delivery of the community strategy can be demonstrated.

The aim of the framework is to develop a culture of performance management and service improvement to deliver the expectations of citizens. The benefits of the performance management system are that it:

- Helps the Municipality to be clear about its vision, values, objectives and priorities;
- Helps cascade the higher level objectives and priorities into service delivery via service plans;
- Helps individuals to understand their contribution to higher level objectives through employee work/development plans and personal appraisals;
- Allows the Municipality to manage and report its performance in regular updates to elected members, staff and the public.

The power of performance management has seen service quality dramatically improve. It has seen the delivery of improved services in many countries such as Sweden and England. For example through implementation of change and robust performance management the amount of recycling increased in one area of England from just 18% of waste created to almost 50% waste being recycled, thus helping to reduce the impact of climate change and preserving the world's natural resources.

This generic guide will be used in different countries by councils / municipalities in many different ways but its underlying power is whatever the circumstances it will see the improvement of services and identify where improvements are needed to deliver community priorities.

Section 4 - A self-assessment tool

A. Explanations on how to use this tool

1. For each of the aspects of good practice for performance management a descriptor is provided and then the opportunity to self-assess against the descriptor:
 - a. a self-assessment section where municipalities are asked to identify their level of maturity for each area. The levels of maturity are the following: aware, developing, practicing and excelling.

<i>Aware</i>	<i>A</i>	<i>Developing</i>	<i>D</i>	<i>Practicing</i>	<i>P</i>	<i>Excelling</i>	<i>E</i>
We are aware of the key issues to be addressed but currently have no, or very few approaches developed to address them		We recognise key issues and are developing approaches to address them, although there has been limited practical implementation so far		We have well developed plans to address key issues, with significant examples of implementation		We can show clear evidence of good practice which can be shared and are further developing our approach to ensure long term and sustainable improvement	

- b. evidence to support the self assessment provided by the Municipality.
2. A Municipality would be expected to:
 - a. read the information provided;
 - b. consider the evidence they have available which would support their assessment;
 - c. make a self assessment of their maturity;
 - d. record the evidence they would wish to offer in support of their self assessment.
3. Information used as evidence to complete the self assessment should be easily available to municipalities from a variety of sources for example: existing policies, procedure documents, operating rules and guidance, internal audit and review reports and external audit, inspection and review documents.
4. The Summary Maturity Matrix is used to give a Municipality a view of how well it is doing in using performance management across a range of areas.
5. Implementation of the tool can be country or region wide. Some questions in this benchmark may not be applicable for every region/country.
6. The tool should be completed by officers and elected members so that there is a clear agreement of the position of the Municipality. Other key stakeholders (such as NGO's and partners who are involved in the delivery of public services) can also be invited to complete the assessment so that the Municipality is clear that their understanding is shared by others.

B. The key headings for performance management can be divided as follows:

<i>Performance management</i>
1. Is there a consistent, rigorous and open approach to performance management?
2. Does the council / Municipality and partner organisations know how well they and each other are performing against planned outcomes?
3. Is knowledge about performance used to drive continuous improvement?

C. Using the tool

- Read the descriptor carefully.
- Consider the evidence available to demonstrate your scoring.
- Put a tick in the relevant box for each of the descriptors.
- Add up all the ticks in each area and enter the total into the summary box at the end.
- This will give you a picture of where you are overall.

		EVALUATION Put a tick in the most appropriate box				YOUR COMMENTS
TOPIC	INDICATORS	A	D	P	E	
1 Is there a consistent, rigorous and open approach to performance management?	1. There are strong links between the Municipality / council's overall ambitions and community and corporate plans, through to service and individual plans, priorities and targets (including value for money targets).					
	2. Managing performance management is part of how people work and manage proactively rather than just monitoring. Senior officers set a strong example which cascades through the organisation.					
	3. Systematic monitoring and review ensures the council / Municipality stays on track to deliver services. There is a culture of open debate and constructive challenge, with a focus on solutions rather than blame.					
	4. Elected representatives have a record of focused involvement in performance management, for example through meetings.					
	5. There is evidence that elected representatives make use of information to manage continuous improvement.					
	6. Elected representatives and staff have clearly defined roles in performance management.					
	7. The Municipality / council adjusts the frequency of monitoring and review of different performance information. This takes account of risk and timescales for taking remedial action.					

	8. There are strong mechanisms to help sustain the focus on priority issues. The Municipality / council has a track record of managing performance to help secure outcomes for the community that reflect its ambitions and priorities.					
	9. Staff, contractors and partners' views of their own priorities are usually aligned with those of the Municipality / council and know how they contribute to delivery. The Municipality / council is self-aware about strengths and weaknesses of its approach to performance management, and learns from others.					
	10. Effective management of performance is integrated with the management of resources so that resources follow priorities whilst retaining the flexibility to respond to performance.					
	11. There is a well publicised, user-friendly and supportive system for service users and staff to submit complaints, grievances or representations. The council / Municipality takes seriously the need to respond to grievances and complaints about service delivery at all levels and deals with these in a timely way.					
	12. There is feedback to complainants to say what (if anything\)) was done as a result of their complaint.					
	TOTAL for topic 1:					

		EVALUATION Put a tick in the most appropriate box				YOUR COMMENTS
TOPIC	INDICATORS	A	D	P	E	
2 Does the council / Municipality know how well they are performing against planned outcomes?	13. Regular, robust and balanced information about performance is sought and produced throughout the council / Municipality.					
	14. The information produced is simple to access and understand, and is user-focused. It includes national and local performance. It includes financial, budgetary and value for money information.					
	15. The council / Municipality understands the level of importance and satisfaction that different sections of the community attach to its activities. This is a key performance measure that is assessed (such as through satisfaction and feedback questionnaires) and used to inform improvement priorities.					
	16. The council / Municipality pro-actively uses comparisons and benchmarking to increase its self-awareness of costs and outcomes.					
	17. Internal actors (municipality services, staff) are given opportunities to influence how performance is measured and monitored and what targets are set. They have access to service standards and targets.					

	18. External actors (people who use council, other stakeholders) are given opportunities to influence how performance is measured and monitored and what targets are set. They have access to service standards and targets.					
	19. The council / Municipality reports information about its performance in a coherent and accessible way while meeting statutory requirements for performance reporting.					
	20. The council / Municipality, the community and its partners have a good picture of how well the council / Municipality is performing, especially against its ambitions and priorities.					
	TOTAL for topic 2:					

		EVALUATION Put a tick in the most appropriate box				YOUR COMMENTS
TOPIC	INDICATORS	A	D	P	E	
3 Is knowledge about performance used to drive continuous improvement ?	21. The council / Municipality sets realistic but challenging targets for improvement in performance, linked to resources.					
	22. The council / Municipality uses performance information to focus on priorities and takes effective action to address areas of identified under-performance.					
	23. The council / Municipality allows time to monitor and compare performance information					
	24. Cross-departmental working is well advanced and the corporate centre is able to coordinate this effectively through the performance management system.					
	25. The council / Municipality takes into account the needs of its diverse communities in planning and delivering joined up services.					
	26. The council / Municipality uses its knowledge to solve areas of weaker performance at an early step.					

	27. Information about poor performance and problems is used to inform decision making. There is good understanding of what improves performance in all areas.					
	28. The council / Municipality uses knowledge from complaints and user-feedback to drive improvement.					
	29. It is developing full access to these for the diverse communities served. It also makes use of staff suggestions, complaints and grievances.					
	30. The council / Municipality makes good use of opportunities to learn from its own successes and failures.					
	31. The community strategy has a clear set of relevant ambitions and priorities. These are based on up-to-date evidence.					
	32. The council can show the difference it has made for example clear improvement in services successfully tackling issues in a joined up way such as attracting resources and inward investment.					
	33. The council's services and functions reflect the importance of national and local issues such as economic growth.					
	34. The relevant service plans and resources are aligned with the council / Municipality's stated ambitions.					

	35. The council / Municipality is delivering against clear interlinking plans and strategies to common themes. Examples might include; improving health and environmental quality; tackling local crime, anti-social behaviour, and increasing employment levels amongst all groups in the community.					
	36. The council / Municipality has taken account of different stakeholders such as business and user groups' needs and acted upon them. Satisfaction with services has risen or has been maintained at a high level.					
	37. The council is accessing funding for regeneration projects because this is in line with its ambitions for the area, and it can demonstrate to its citizens that the funding is contributing to these ambitions.					
	38. Employment rates for local people have increased, particularly for lone parents, people who are over 50, people with disabilities, people from black and minority ethnic groups, people lacking qualifications, and those in areas of low employment or living in rural areas.					
	39. Environmental quality has been enhanced for all sectors of the community; particularly for those in areas affected by pollution and noise.					
	TOTAL for theme 3:					

Summary Maturity Matrix

<i>Principle</i>	<i>Headline Definition</i>				
		<i>Aware</i>	<i>Developing</i>	<i>Practicing</i>	<i>Excelling</i>
1	Is there a consistent, rigorous and open approach to performance management?				
2	Does the council / Municipality know how well they are performing against planned outcomes?				
3	Is knowledge about performance used to drive continuous improvement?				
	<i>Total Score</i>				

Section 5 - Methodology of Performance Management cooperation programmes implemented by the Council of Europe in a national and/or a multinational framework

A. Overall objectives of the Performance Management Programmes

- To raise awareness of the elected representatives and the officials of the pilot local authorities to the role and importance of the measurement and performance management at local level which includes a range of processes, techniques and methods that facilitate the identification of targets and measurement of progress towards achieving these.

On a local level it is used to compare performance of local authorities and to identify best practices. In recent use effective performance management has been seen by many European countries as a key ingredient of good governance and has played an increasingly important role in the management of public services.

- To assess the knowledge and experience of the pilot local authorities in the field of performance management and to identify the good practices to be learnt from.
- To identify distinct and/or, if possible, common indicators to improve the measurement and management of performance in the fields of budgetary and financial planning/management of property.
- To promote inter-municipal co-operation/exchange of experience with the formulation of recommendations aiming at improving the performance of local authorities from the same or from different countries.
- To consolidate the capacities of the National Association of Local Authorities and the link with its members.
- To facilitate the exchange of experience and the development, when appropriate, of lasting partnerships/projects between local authorities (*though development of actual twinning is not the objective of the programme in itself*).
- To use, where appropriate, the conclusions of the programme to support the revision of the legislation in different fields of the local administration where performance management mechanisms are applied, with a view to make sure it is in line with the needs and priorities of local authorities, through provisions of new legislative recommendations and subsequent testing of proposed changes in practice.

B. General Methodology of the Performance Management Programmes

The aim of the Council of Europe's programmes on performance management is to allow local authorities and if possible their associations to work together in order to define critical factors/elements that determine a service provision's good results/quality, which constitute the principal performance indicators in various domains.

To begin with, local authorities, in cooperation with their associations, when these are involved, are invited to identify their performance indicators in key fields for the municipal administration such as for instance *local economic development*,

communication with the citizens, internal communication, waste management and management of staff, and to define the norms that need to be applied for each indicator. Therefore, they can take as a start the reports/studies on performance management in other European local authorities (examples of the United Kingdom) that the Council of Europe has at its disposal.

Local authorities are then invited to decide, along with their department managers, to reach the corresponding or superior levels in comparison with the set performance standards. Managers are then invited to use the performance indicators to improve their own results/management. When performance indicators reveal insufficiencies, it will be necessary to identify the actions that should be undertaken in order to overcome difficulties and improve the situation.

Regular information reports prepared by local authorities will allow the comparison of performance data, for instance in the fields of local economic development, communication with the citizens, internal communication, waste management and management of staff. The government of the given country can then make use of this data and of the elaborated performance management tools in order to improve their results in political priority sectors that are linked to the local administration.

The Council of Europe's Centre of Expertise for Local Government Reform wishes to propose a method that takes this approach as a starting point for the implementation of a performance management system, including a list of standard indicators.

Such programme are implemented between local authorities from the same country but it may also associate local authorities from different countries such as the performance management programme implemented by the Council of Europe since 2007 in Serbia in the framework of a Joint Programme with the European Commission on "Strengthening local self-government in Serbia". It involves Serbian, French and German local authorities, together with the support of Serbian, French, German as well as British experts. In this way local authorities are able to have in depth about their actual practices in applying their competences.

C. Summary of key activities implemented in the framework of performance management cooperation programmes

1. Drafting and dispatch of a questionnaire on the experience of pilot municipalities in managing performance in given municipal administration fields of action
2. Organisation of a joint Workshop to review the answers to the questionnaire and develop Performance Management Templates highlighting the objectives to be met in the chosen fields and related indicators
3. 1st series of Bilateral meetings of CoE experts in the pilots to help them fulfil those templates and provide necessary advice
4. Joint Workshop to discuss the conclusions of those field visits and finalise the Performance Management templates
5. 2nd series of Bilateral meetings of CoE experts in the pilots to assess the implementation of performance mechanisms, and the necessary actions to be undertaken to bring necessary improvements
6. Publication of a national Guide to Performance Management to all local authorities with basic methodology
5. Joint Conference/ Roundtable to discuss results of the Performance Management Project and agree on the necessary follow-up

D. Examples of performance management questionnaire

Please rate the following points on a scale of 1 – 5: 1 = not at all, 2 = not very, 3 = quite, 4 = very, 5 = totally

1.	Does the authority have clear corporate priorities?	1	2	3	4	5
2.	Are priorities informed by local consultation and analysis of local needs?	1	2	3	4	5
3.	Is delivery of the priorities measured?	1	2	3	4	5

4.	Are there service plans and action plans to support delivery?	1	2	3	4	5
5.	Are the plans comprehensive and have clear targets?	1	2	3	4	5
6.	Are the plans monitored regularly and action taken if they are not being delivered?	1	2	3	4	5
7.	Do you have any performance management systems?	1	2	3	4	5
8.	Is the performance information used?	1	2	3	4	5
9.	Do resources link to the priorities?	1	2	3	4	5
10.	Is there an annual report which sets out the results of monitoring of outcomes and examines performance against priorities?	1	2	3	4	5
11.	Are there targets for individuals to deliver their part in plans?	1	2	3	4	5
12.	Do you think performance management would help you improve services?	1	2	3	4	5

Comments Section

A. Please state what you think are the three most important services for your authority?

- 1. _____
- 2. _____
- 3. _____

B. Give any examples where performance management has been used to improve services.

C. Give an example where performance management could have been used to improve a service.

D. Any other comments?

Section 6 Performance Indicators used in local government in England

This section is divided into two parts. Part A shows examples of the range of performance measures used by an English local authority. These indicators are segregated into broad outcome areas such as 'education', 'the environment'.

Part B looks at the English national indicator set which has been used by all public services to reduce the number of performance indicators measured by individual organisations. This part is accompanied by some guidance about what is needed to define performance indicators to ensure that a consistent approach is adopted to allow comparison between service providers. This is intended to complement the main performance management guide.

A. Performance measures used by British local councils

Target description		Previous YEAR	Where are we - this YEAR			
		Actual result - previous year	Result - this year	Target for this year	Target Met?	
Target reference number	Description of indicator	Actual result for last year	Actual result for this year - to be collected at the end of the year and reported as soon as possible	Target set - identify what the target was set at the beginning of the year to easily see if this was met	Statement as to whether the target set was met	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> (see key at bottom)

Corporate Health – ‘internally focused’ indicators

	Percentage of invoices paid on time					
	Percentage of local Council Tax collected (domestic property tax)					
	Percentage of non-domestic rates collected (business tax)					
	Percentage of employees from ethnic minorities backgrounds					

	Percentage of working days lost due to sickness absence					
	Percentage of employees with a disability					
	Percentage of buildings accessible to people with a disability					

Education

	Percentage of 15 yr olds with 5 or more GCSE's (General Certificate in Secondary Education) at grade A*-C or equiv					
	Number of pupils with a statement of special educational needs.					
	Percentage of total absence in secondary schools (age 11-16)					
	Percentage of total absence in primary schools (age 5-11)					
	Key Stage 3 performance English - Level 5 (age 14)					
	Key Stage 3 performance Maths - Level 5 (age 14)					
	Key Stage 3 performance Science - Level 5 (age 14)					
	Key Stage 3 performance Information Communication and Technology - Level 5 (age 14)					
	Key Stage 2 English Performance (age 11)					
	Key Stage 2 Maths Performance (age 11)					

Children

	Children who are looked after (e.g. foster care) who have had three or more placements in the year					
	Educational Qualifications of Looked After Children					
	Employment, education and training for care leavers					

	Percentage of child protection cases reviewed					
	Percentage of children who have been adopted (out of all children who have been looked after for six months or more)					
	Teenage pregnancies (percentage change)					

Adults

	Intensive home care per 1000 population (supporting those adults with specific needs)					
	Number of older people helped to live at home					
	Equipment and adaptations delivered to support continued living at home instead of a care home					
	Assessment waiting time (time taken to assess adults with specific care needs)					
	Acceptable waiting time for care packages (time taken to deliver a package of care after assessment)					
	Direct payment of benefits					

Housing

	Energy efficiency of housing stock					
	Vacant dwellings returned to occupation/demolished					
	Rent collection and arrears recovery					
	Percentage of Local Authority tenants with more than seven weeks rent arrears					
	Percentage of tenants served Notices Seeking Possession (first stage of eviction)					
	Percentage of tenants evicted					
	Percentage of non decent homes (homes not meeting specified standards)					

	Percentage change in non-decent homes					
	Average time to re-let housing (days)					

Homelessness

	Average length of families' stay in hostel (weeks)					
	Number of rough sleepers					
	Housing advice - preventing homelessness (per 1000 pop)					

Housing benefit (HB) and Council tax benefit (CT)

	Housing benefit security - investigators					
	Housing benefit security - investigations					
	Housing benefit security - prosecutions/sanctions					
	Speed of processing - new HB/CT claims (days)					
	Speed of processing - speed of processing changes to HB/CT claims (days)					
	Accuracy of HB/CT claims					
	Percentage of recoverable HB overpayments					
	Percentage of recoverable HB Overpayments recovered					

Waste and Cleanliness

	Percentage of household waste recycled					
	Total tonnage of waste sent for recycling					
	Percentage of waste sent for composting or anaerobic digestion					

	Tonnage of household waste sent for composting or anaerobic digestion					
	Percentage of waste used to recover heat, power and other energy sources					
	Tonnage of household waste used to recover heat, power and other energy sources					
	Percentage of waste landfilled					
	Tonnage of household waste arisings landfilled					
	Kg of waste collected per head of population					
	Percentage change in kilograms waste collected per head of population					
	Cost of waste collection per household					
	Cost of waste disposal per tonne of waste					
	Percentage of households served by kerbside collection of recyclables					
	Percentage of households served by kerbside collection of at least 2 recyclables (e.g. paper / glass)					
	Proportion of land having combined litter and detritus deposits below an acceptable level					
	Proportion of land and highways from which unacceptable levels of graffiti are visible					
	Proportion of land and highways from which unacceptable levels of fly-posting are visible					
	Local Street and Environmental Cleanliness - Fly-tipping					

Transport

	Number of people killed or seriously injured (KSI) in road traffic collisions					
	Percentage change in number of people killed or seriously injured in road traffic collisions since the previous year					
	Number of adults killed or seriously injured in road traffic collisions					
	Number of children (aged under 16) killed or seriously injured in road traffic collisions					
	Percentage change in number of children killed or seriously injured in road traffic collisions since the previous year					
	Percentage change in number of children killed or seriously injured in road traffic collisions					
	Number of people slightly injured in road traffic collisions					
	Percentage change in number of people slightly injured in road traffic collisions since the previous year					
	Total number of local bus passenger journeys each year					
	Percentage of pedestrian crossings with facilities for disabled people (e.g. to assist deaf people)					
	Average days taken to repair street lighting fault					
	Average time taken to repair a street lighting fault					
	Percentage of principal roads where structural maintenance should be considered					

	Percentage of non-principal classified roads where maintenance should be considered					
	Percentage of unclassified road network where structural maintenance should be considered					

Environment

	Score against best practice checklist for Environmental Health (a defined checklist is used such as the number of food hygiene inspections in restaurants)					
	Land contamination - number of sites of potential concern					
	Percentage of new reports of abandoned vehicles investigated within 24 hours					
	Percentage of abandoned vehicles removed within 24 hours					

Planning

	Percentage of new homes built on previously developed land					
	Percentage of major applications determined within 13 weeks (major relates to construction of 10 or more homes or large scale business / commercial development)					
	Percentage of minor applications determined within 8 weeks (minor application includes single dwellings)					
	Percentage of planning appeals allowed against a local authority planning decision					
	Score against 'quality of planning services' checklist					

Culture and related services

	Number of visits to museums and galleries per 1000 population					
--	---	--	--	--	--	--

	Number of pupils visiting museums and galleries in organised groups					
	Compliance against Public Library Service Standards					

Community Safety and Wellbeing

	Domestic burglaries per 1,000 households					
	Violent crime per 1,000 population					
	Robberies per 1000 population					
	Vehicle crime per 1000 population					
	Racial incidents recorded by Local Authority					
	Racial incidents resulting in further action					
	Actions against Domestic Violence					

Key to Terms and Symbols Used

<input type="checkbox"/>	Symbol to identify if the Council's performance this year has improved on its performance since the last year
<input type="checkbox"/>	Symbol to identify if the Council's performance this year has remained the same as its performance since last year
<input type="checkbox"/>	Symbol to identify if the Council's performance this year has declined from its performance since last year

B. The English National Outcome and Indicator Set

In the UK there has been a real focus on improving outcomes for local people, local businesses and local places rather than on processes, institutions and inputs.

A range of national indicators have been developed to measure progress against outcomes for local people. This has resulted in a considerable reduction in the number of performance indicators collated by English councils. Where process or input indicators have been included it is in areas which Government considers to be important but where outcome measures cannot easily be set (such as safeguarding children), in new policy areas where outcomes have yet to be tested, or for cross-cutting issues that directly underpin better outcomes (such as efficiency and service transformation).

The successful adoption of nationally used comparative Indicators requires the following attributes:

- ***Rigorous performance management***

By reducing the number of indicators required by the British Government, more focus can be given to the performance management of the indicators in the national set. The comparative information provided allows judgements to be made by central government and regulators as to where performance is better or worse and focus attention accordingly.

- ***Empowering local people to judge the quality of their local services relative to others***

It is the responsibility of local authorities and their partners to report to their citizens and users on their performance during the year, including against the national indicator set, as they consider appropriate. This may include the local indicators identified in the first part of this appendix.

- ***Effective partnership***

The national indicator set covers both services delivered alone and in partnership and encourages English local authorities and their partners to work together to deliver improved outcomes.

- ***Making the best use of scarce resources by driving out waste and duplication***

This is a single set of indicators which replaces all previous Central Government sets for local government, removing duplication and wasted effort. It represents a drastic reduction in the number of indicators against which local government is required to report.

The following tables show the total number of national indicators from which partners delivering services in local areas select approximately 30 indicators which are most relevant to the needs of the local area. This approach has been adopted in other countries such as in Russia where the Russian Federation has required a maximum of 30 performance measures to be reported centrally.

The following indicators are categorised against broad local outcomes such as stronger communities. Partners, including local councils select a maximum of 30 indicators from the following list. Selection will depend on what locally important

issues are. Please see the main guide on setting performance indicators to support local priorities (see main guide).

Outcome	National indicators
Stronger communities	<p>NI 1 % of people who believe people from different backgrounds get on well together in their local area</p> <p>NI 2 % of people who feel that they belong to their neighbourhood</p> <p>NI 3 Civic participation in the local area</p> <p>NI 4 % of people who feel they can influence decisions in their locality</p> <p>NI 5 Overall/general satisfaction with local area</p> <p>NI 6 Participation in regular volunteering</p> <p>NI 7 Environment for a thriving third sector</p> <p>NI 8 Adult participation in sport</p> <p>NI 9 Use of public libraries</p> <p>NI 10 Visits to museums or galleries</p> <p>NI 11 Engagement in the arts</p> <p>NI 12 Refused and deferred Houses in Multiple Occupation (HMO) license applications leading to immigration enforcement activity</p> <p>NI 13 Migrants English language skills and knowledge</p> <p>NI 14 Avoidable contact: The average number, of customer contacts per received customer request</p>
Safer communities	<p>NI 15 Serious violent crime rate</p> <p>NI 16 Serious acquisitive crime rate</p> <p>NI 17 Perceptions of anti-social behaviour</p> <p>NI 18 Adult re-offending rates for those under probation supervision</p> <p>NI 19 Rate of proven re-offending by young offenders</p> <p>NI 20 Assault with injury crime rate</p> <p>NI 21 Dealing with local concerns about anti-social behaviour and crime by the local council and police</p> <p>NI 22 Perceptions of parents taking responsibility for the behaviour of their children in the area</p> <p>NI 23 Perceptions that people in the area treat one another with respect and dignity</p> <p>NI 24 Satisfaction with the way the police and local council dealt with anti-social behaviour</p> <p>NI 25 Satisfaction of different groups with the way the police and local council dealt with anti-social behaviour</p> <p>NI 26 Specialist support to victims of a serious sexual offence</p> <p>NI 27 Understanding of local concerns about anti-social behaviour and crime by the local council and police</p> <p>NI 28 Serious knife crime rate</p> <p>NI 29 Gun crime rate</p>

Outcome	National indicators
Safer communities <i>(continued)</i>	NI 30 Re-offending rate of prolific and priority offenders NI 31 Re-offending rate of registered sex offenders NI 32 Repeat incidents of domestic violence NI 33 Arson incidents NI 34 Domestic violence – murder NI 35 Building resilience to violent extremism NI 36 Protection against terrorist attack NI 37 Awareness of civil protection arrangements in the local area NI 38 Drug-related (Class A) offending rate NI 39 Alcohol-harm related hospital admission rates NI 40 Drug users in effective treatment NI 41 Perceptions of drunk or rowdy behaviour as a problem NI 42 Perceptions of drug use or drug dealing as a problem NI 43 Young people within the Youth Justice System receiving a conviction in court who are sentenced to custody NI 44 Ethnic composition of offenders on Youth Justice System disposals NI 45 Young offenders engagement in suitable education, employment or training NI 46 Young offenders access to suitable accommodation NI 47 People killed or seriously injured in road traffic accidents NI 48 Children killed or seriously injured in road traffic accidents NI 49 Number of primary fires and related fatalities and non-fatal casualties, excluding precautionary checks
Children & Young People	<i>Be Healthy</i> NI 50 Emotional health of children NI 51 Effectiveness of child and adolescent mental health (CAMHs) services NI 52 Take up of school lunches NI 53 Prevalence of breastfeeding at 6 – 8 weeks from birth NI 54 Services for disabled children NI 55 Obesity among primary school age children in Reception Year NI 56 Obesity among primary school age children in Year 6 NI 57 Children and young people’s participation in high-quality PE and sport NI 58 Emotional and behavioural health of children in care

Outcome	National indicators
Children & Young People <i>(continued)</i>	<p><i>Stay Safe</i></p> <p>NI 59 Initial assessments for children’s social care carried out within 7 working days of referral</p> <p>NI 60 Core assessments for children’s social care that were carried out within 35 working days of their commencement</p> <p>NI 61 Stability of looked after children adopted following an agency decision that the child should be placed for adoption</p> <p>NI 62 Stability of placements of looked after children: number of moves</p> <p>NI 63 Stability of placements of looked after children: length of placement</p> <p>NI 64 Child protection plans lasting 2 years or more</p> <p>NI 65 Children becoming the subject of a Child Protection Plan for a second or subsequent time</p> <p>NI 66 Looked after children cases which were reviewed within required timescales</p> <p>NI 67 Child protection cases which were reviewed within required timescales</p> <p>NI 68 Referrals to children’s social care going on to initial assessment</p> <p>NI 69 Children who have experienced bullying</p> <p>NI 70 Hospital admissions caused by unintentional and deliberate injuries to children and young people</p> <p>NI 71 Children who have run away from home/care overnight</p>
	<p><i>Enjoy and Achieve</i></p> <p>NI 72 Achievement of at least 78 points across the Early Years Foundation Stage with at least 6 in each of the scales in Personal Social and Emotional Development and Communication, Language and Literacy</p> <p>NI 73 Achievement at level 4 or above in both English and Maths at Key Stage 2 (Threshold)</p> <p>NI 74 Achievement at level 5 or above in both English and Maths at Key Stage 3 (Threshold)</p> <p>NI 75 Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths (Threshold)</p> <p>NI 76 Achievement at level 4 or above in both English and Maths at KS2</p> <p>NI 77 Achievement at level 5 or above in both English and Maths at KS3</p> <p>NI 78 Achievement of 5 or more A*-C grades at GCSE and equivalent including GCSEs in English and Maths</p> <p>NI 79 Achievement of a Level 2 qualification by the age of 19</p> <p>NI 80 Achievement of a Level 3 qualification by the age of 19</p> <p>NI 81 Inequality gap in the achievement of a Level 3 qualification by the age of 19</p> <p>NI 82 Inequality gap in the achievement of a Level 2 qualification by the age of 19</p>

Outcome	National indicators
Children & Young People <i>(continued)</i>	NI 83 Achievement at level 5 or above in Science at Key Stage 3 NI 84 Achievement of 2 or more A*-C grades in Science GCSEs or equivalent NI 85 Post-16 participation in physical sciences (A Level Physics, Chemistry and Maths) NI 86 Secondary schools judged as having good or outstanding standards of behaviour NI 87 Secondary school persistent absence rate NI 88 Number of Extended Schools NI 89 Number of schools in special measures NI 90 Take up of 14-19 learning diplomas NI 91 Participation of 17 year-olds in education or training NI 92 Narrowing the gap between the lowest achieving 20% in the Early Years Foundation Stage Profile and the rest NI 93 Progression by 2 levels in English between Key Stage 1 & 2 NI 94 Progression by 2 levels in Maths between Key Stage 1 and Key Stage 2 NI 95 Progression by 2 levels in English between Key Stage 2 & 3 NI 96 Progression by 2 levels in Maths between Key Stage 2 and Key Stage 3 NI 97 Progression by 2 levels in English between Key Stage 3 & 4 NI 98 Progression by 2 levels in Maths between Key Stage 3 and Key Stage 4 NI 99 Children in care reaching level 4 in English at Key Stage 2 NI 100 Children in care reaching level 4 in Maths at Key Stage 2 NI 101 Children in care achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4 (including English and Maths) NI 102 Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stages 2 and 4 NI 103 Special Educational Needs – statements issued within 26 weeks NI 104 The Special Educational Needs (SEN)/non-SEN gap – achieving Key Stage 2 English and Maths threshold NI 105 The Special Educational Needs (SEN)/non-SEN gap – achieving 5 A*-C GCSE inc. English and Maths NI 106 Young people from low income backgrounds progressing to higher education NI 107 Key Stage 2 attainment for Black and minority ethnic groups NI 108 Key Stage 4 attainment for Black and minority ethnic groups NI 109 Number of Sure Start Children Centres

	<p><i>Make a positive contribution</i></p> <p>NI 110 Young people’s participation in positive activities</p> <p>NI 111 First time entrants to the Youth Justice System aged 10 – 17</p> <p>NI 112 Under 18 conception rate</p> <p>NI 113 Prevalence of Chlamydia in under 20 year olds</p> <p>NI 114 Rate of permanent exclusions from school</p> <p>NI 115 Substance misuse by young people</p> <p><i>Economic Wellbeing</i></p> <p>NI 116 Proportion of children in poverty</p> <p>NI 117 16 to 18 year olds who are not in education, training or employment (NEET)</p> <p>NI 118 Take up of formal childcare by low-income working families</p>
<p>Adult health and wellbeing</p>	<p>NI 119 Self-reported measure of people’s overall health and wellbeing</p> <p>NI 120 All-age all cause mortality rate</p> <p>NI 121 Mortality rate from all circulatory diseases at ages under 75</p> <p>NI 122 Mortality from all cancers at ages under 75</p> <p>NI 123 16+ current smoking rate prevalence</p> <p>NI 124 People with a long-term condition supported to be independent and in control of their condition</p> <p>NI 125 Achieving independence for older people through rehabilitation/intermediate care</p> <p>NI 126 Early access for women to maternity services</p> <p>NI 127 Self reported experience of social care users</p> <p>NI 128 User reported measure of respect and dignity in their treatment</p> <p>NI 129 End of life access to palliative care enabling people to choose to die at home</p> <p>NI 130 Social Care clients receiving Self Directed Support (Direct Payments and Individual Budgets)</p> <p>NI 131 Delayed transfers of care from hospitals</p> <p>NI 132 Timeliness of social care assessment</p> <p>NI 133 Timeliness of social care packages</p> <p>NI 134 The number of emergency bed days per head of weighted population</p> <p>NI 135 Carers receiving needs assessment or review and a specific carer’s service, or advice and information</p> <p>NI 136 People supported to live independently through social services (all ages)</p> <p>NI 137 Healthy life expectancy at age 65</p> <p>NI 138 Satisfaction of people over 65 with both home and neighbourhood</p>

	<p>NI 139 People over 65 who say that they receive the information, assistance and support needed to exercise choice and control to live independently</p>
<p>Tackling exclusion and promoting equality</p>	<p>NI 140 Fair treatment by local services</p> <p>NI 141 Number of vulnerable people achieving independent living</p> <p>NI 142 Number of vulnerable people who are supported to maintain independent living</p> <p>NI 143 Offenders under probation supervision living in settled and suitable accommodation at the end of their order or licence</p> <p>NI 144 Offenders under probation supervision in employment at the end of their order or licence</p> <p>NI 145 Adults with learning disabilities in settled accommodation</p> <p>NI 146 Adults with learning disabilities in employment</p> <p>NI 147 Care leavers in suitable accommodation</p> <p>NI 148 Care leavers in employment, education or training</p> <p>NI 149 Adults in contact with secondary mental health services in settled accommodation</p> <p>NI 150 Adults in contact with secondary mental health services in employment</p>
<p>Local economy</p>	<p>NI 151 Overall employment rate</p> <p>NI 152 Working age people on out of work benefits</p> <p>NI 153 Working age people claiming out of work benefits in the worst performing neighbourhoods</p> <p>NI 154 Net additional homes provided</p> <p>NI 155 Number of affordable homes delivered (gross)</p> <p>NI 156 Number of households living in Temporary Accommodation</p> <p>NI 157 Processing of planning applications as measured against targets for 'major', 'minor' and 'other' application types</p> <p>NI 158 % decent council homes</p> <p>NI 159 Supply of ready to develop housing sites</p> <p>NI 160 Local Authority tenants' satisfaction with landlord services</p> <p>NI 161 Learners achieving a Level 1 qualification in literacy</p> <p>NI 162 Learners achieving an Entry Level 3 qualification in numeracy</p> <p>NI 163 Working age population qualified to at least Level 2 or higher</p> <p>NI 164 Working age population qualified to at least Level 3 or higher</p> <p>NI 165 Working age population qualified to at least Level 4 or higher</p> <p>NI 166 Average earnings of employees in the area</p> <p>NI 167 Congestion – average journey time per mile during the morning peak</p>

	<p>NI 168 Principal roads where maintenance should be considered</p> <p>NI 169 Non-principal roads where maintenance should be considered</p> <p>NI 170 Previously developed land that has been vacant or derelict for more than 5 years</p> <p>NI 171 VAT registration rate</p> <p>NI 172 VAT registered businesses in the area showing growth</p> <p>NI 173 People falling out of work and on to incapacity benefits</p> <p>NI 174 Skills gaps in the current workforce reported by employers</p> <p>NI 175 Access to services and facilities by public transport, walking and cycling</p> <p>NI 176 Working age people with access to employment by public transport (and other specified modes)</p> <p>NI 177 Local bus passenger journeys originating in the authority area</p> <p>NI 178 Bus services running on time</p> <p>NI 179 Value for money – total net value of on-going cash-releasing value for money gains that have impacted since the start of the 2008-9 financial year</p> <p>NI 180 Changes in Housing Benefit/ Council Tax Benefit entitlements within the year</p> <p>NI 181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events</p> <p>NI 182 Satisfaction of businesses with local authority regulation services</p> <p>NI 183 Impact of local authority regulatory services on the fair trading environment</p> <p>NI 184 Food establishments in the area which are broadly compliant with food hygiene law</p>
<p>Environmental sustainability</p>	<p>NI 185 CO2 reduction from Local Authority operations</p> <p>NI 186 Per capita CO2 emissions in the LA area</p> <p>NI 187 Tackling fuel poverty – people receiving income based benefits living in homes with a low energy efficiency rating</p> <p>NI 188 Adapting to climate change</p> <p>NI 189 Flood and coastal erosion risk management</p> <p>NI 190 Achievement in meeting standards for the control system for animal health</p> <p>NI 191 Residual household waste per head</p> <p>NI 192 Household waste recycled and composted</p> <p>NI 193 Municipal waste land filled</p> <p>NI 194 Level of air quality – reduction in NOx and primary PM10 emissions through local authority’s estate and operations.</p> <p>NI 195 Improved street and environmental cleanliness (levels of graffiti, litter, detritus and fly posting)</p>

	NI 196 Improved street and environmental cleanliness – fly tipping NI 197 Improved local biodiversity – active management of local sites NI 198 Children travelling to school – mode of travel usually used
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For each of the above indicators there is a need, especially when comparisons are to be made, to ensure that information is collected consistently. For this reason each indicator is supported with information to explain the rationale behind the indicator:

- A clear definition of the indicator,
- A formula to show how the indicator needs to be calculated (otherwise inconsistencies can arise resulting in comparisons being inaccurate),
- A worked example,
- Explanation of what is good or bad performance,
- How often data is collected, and
- Data source.

The following table shows the information displayed for each indicator. Following this table are three worked examples for indicators from the national indicator set above. This supports the rationale for setting robust performance measures as described in the main guide.

Indicator number and title			
Rationale	Explanation for the inclusion of indicator.		
Definition	<p>Explains how the indicator will be measured and what is being measured. It also includes the precise meaning of any specific terms.</p> <p>It includes information that is essential to the calculation included in the definition.</p> <p>If data from another source is used in the calculation, information on the data provider will be provided.</p>		
Formula	Explanation of the method of calculation.		
Worked example	Will show how the definition and formula will work in practice.	Good performance	Will state whether good performance is represented by a higher or lower figure.
Collection interval	Will explain the frequency of collection	Data Source	Will give information on data series used, the form on which data will be collected and whether the collection is specifically for the national indicator set.

Examples

The following three examples show the type of information given to support the indicators.

NI 192: Percentage of household waste sent for reuse, recycling and composting	
Rationale	The indicator measures percentage of household waste arisings which have been sent by the Authority for reuse, recycling, composting or anaerobic digestion. This is a key measure of local authorities' progress in moving management of household waste up the hierarchy, consistent with the Government's national strategy for waste management. The Government expects local authorities to maximise the percentage of waste reused, recycled and composted.

<p>Definition</p>	<p>The percentage of household waste arisings which have been sent by the authority for reuse, recycling, composting or anaerobic digestion. The numerator is the total tonnage of household waste collected which is sent for reuse, recycling, composting or anaerobic digestion. The denominator is the total tonnage of household waste collected. 'Household waste' means those types of waste which are to be treated as household waste. The amounts deemed to be collected shall include:</p> <ul style="list-style-type: none"> • All waste collected from domestic properties, plus • All waste arisings from Civic Amenity Sites, and • Waste collected by third parties for which collection or disposal reuse or recycling credits are paid <p>For the avoidance of doubt 'Household waste' includes waste from the following sources:</p> <ul style="list-style-type: none"> • Waste collection rounds • Litter and refuse collected from street cleaning waste, park litter and gully sweepings • Bulky waste collections, where "bulky waste" is defined as <ul style="list-style-type: none"> - any article of waste which exceeds 25 kilograms in weight - any article of waste which does not fit, or cannot be fitted into a domestic waste bin • Garden waste collections; • Household clinical waste collections. • Hazardous household waste collections; • Re-used waste material from household sources as defined below; <p>Household waste does not include:</p> <ul style="list-style-type: none"> • Beach cleansing wastes, rubble (including soil associated with the rubble); Vehicles (whether abandoned or not); Grass cuttings, leaves etc in parks.
<p>Formula</p>	<p>The percentage rate is calculated as below:</p> <p>a) The percentage of household waste sent for reuse, recycling, composting or anaerobic digestion is calculated as:</p> <p>$X/Y \times 100$, where:</p> <p>X = Tonnage of household waste collected which is sent for reuse, recycling, composting or anaerobic digestion.</p> <p>Y = Total tonnage of household waste collected.</p>

Worked Example	Household waste collected directly for recycling = 30,000 tonnes Household waste rejected for recycling = 500 tonnes Household waste sent for reuse = 300 tonnes Household waste sent for composting = 8,000 tonnes Recyclate sorted from residual waste MRF = 2,200 tonnes Total household waste = 100,000 tonnes $X = (30,000 - 500 + 300 + 8,000 + 2,200) = 40,000$ tonnes $Y = 100,000$ tonnes $X/Y \times 100 =$ $(40,000 / 100,000) \times 100$ NI 192 = 40.00%	Good performance	Good performance is typified by a higher percentage
Collection interval	Financial year	Data Source	

The following guidance supports the indicator measuring the cleanliness of streets and the local environment.

NI 195: Improved street and environmental cleanliness (levels of litter, detritus, graffiti and fly posting)	
Rationale	The percentage of relevant land and highways that is assessed as having deposits of litter, detritus, graffiti and fly-posting that fall below an acceptable level. Reducing unacceptable levels of litter, detritus, fly-posting and graffiti forms a key part of the 'Cleaner Safer Greener Communities' agenda. Through the improved management information delivered to authorities by the indicator, they should aim to reduce the score year-on-year.

<p>Definition</p>	<p>The indicator is reported as four parts, one for each element of environmental and street cleanliness: (a) Litter, (b) Detritus, (c) Graffiti, (d) Fly-posting. A definition of each of the elements is provided below:</p> <ul style="list-style-type: none"> • litter is 'anything that is dropped, thrown, left or deposited that causes defacement, in a public place'. <p>Grade A is given where there is no litter or refuse; grade B is given where a transect is predominantly free of litter and refuse except for some small items; grade C is given where there is a widespread distribution of litter and refuse, with minor accumulations; and grade D where a transect is heavily littered, with significant accumulations.</p> <ul style="list-style-type: none"> • Detritus comprises dust, mud, soil, grit, gravel, stones, rotted leaf and vegetable residues, and fragments of twigs, glass, plastic and other finely divided materials. • Graffiti is defined as any informal or illegal marks, drawings or paintings that have been deliberately made by a person or persons on any physical element comprising the outdoor environment, with a view to communicating some message or symbol etc. to others. • Fly-posting is defined as any printed material and associated remains informally or illegally fixed to any structure. Fly-posting includes any size of material from small stickers up to large posters – often advertising popular music recordings, concerts and other events. Fly-posting <i>excludes</i> formally managed and approved advertising hoardings and valid, legally placed signs and notices. 		
<p>Formula</p>	<p>Once all sites have been surveyed, the formula to be used for each of the four elements of the indicator (litter, detritus, graffiti and fly-posting) is:</p> $\left(\frac{T + \left(\frac{Tb}{2} \right)}{Ts} \right) * 100$ <p>where: <i>T</i> = number of sites graded C, C -, or D for each individual element (litter, detritus, graffiti and fly-posting); <i>Tb</i> = number of sites graded at B- for each individual element (litter, detritus, graffiti and fly-posting) (this grade counts as half); <i>Ts</i> = total number of sites surveyed for the relevant element (litter, detritus, graffiti and fly-posting) (900 minimum with the exception of the detritus indicator which may be less than 900 where sites are not suitable for detritus grading).</p>		
<p>Worked example</p>	<p>For example, where 30 sites have been graded either C, C -, or D and 90 sites have been graded B-, the calculation would give:</p>	<p>Good performance</p>	<p>The lower the percentage score the better the standard of cleanliness</p>

	$\left(\frac{30 + \left(\frac{90}{2} \right)}{900} \right) * 100 = 8\%$ <p>NB – This calculation will automatically be given using the standard spreadsheet available to download from www.ni195.com</p>		
Collection interval	Annually (1st April – 31st March) Based on surveys carried out over three four month periods: April – July; August – November; December – March.	Data Source (if external)	Local Authorities

The following guidance supports the indicator measuring the cleanliness of streets and the local environment with regards to fly tipping.

NI 196: Improved street and environmental cleanliness – fly tipping	
Rationale	Reducing the incidents of illegally dumped waste or 'fly-tipping' forms a key part of Government's Cleaner Safer Greener Communities work and its Waste Strategy for England which was published in May 2007.
Definition	<p>The indicator measures a local authority's performance based on a combination of calculating its year on year change in total incidents of fly-tipping dealt with, compared with its year on year change in enforcement actions taken against fly-tipping.</p> <p>Good performance is indicated by a decrease in incident numbers in and an increase in enforcement action. A better score will be achieved if incident numbers only are reduced as opposed to enforcement numbers only are increased</p> <p><i>Enforcement actions</i> consist of investigations, warning letters, statutory notice, fixed penalty notice, duty of care inspection, stop and search, formal caution and prosecution.</p> <p><i>Fly-tipping</i> It is an offence to illegally dispose of waste. It is an offence to:</p> <ul style="list-style-type: none"> • Deposit waste, or knowingly cause or knowingly permit waste to be deposited without a waste management licence; • Treat, keep or dispose of waste, or knowingly cause or knowingly permit waste to be treated, kept or disposed of except under or in accordance with a waste management licence; or • Treat, keep or dispose of controlled waste in a manner likely to cause pollution of the environment or harm to human health <p>As fly-tipping may involve a number of factors, including intent, it is down to a local authority to decide whether a deposit of waste is a fly-tip.</p>

<p>Formula</p>	<p>The indicator measures a local authority's performance based on a combination of calculating its year on year change in total incidents of fly-tipping dealt with, compared with its year on year change in enforcement actions taken against fly-tipping.</p> <p>A weighting is applied to each type of incident and enforcement action in order to recognise the differing effort involved in clearing larger fly-tips and the deterrent effect of enforcement. For example, 'significant multiple loads' are weighted greater than 'single items'; while for incidents 'prosecution' are weighted higher than 'warning letters'.</p> <p>The table below illustrates the marking awarded to the various combinations:</p> <table border="1" data-bbox="395 573 1461 960"> <thead> <tr> <th colspan="5">Number of Enforcement Action</th> </tr> <tr> <th rowspan="4">Number of Incidents of Fly Tipping</th> <th></th> <th>Increasing actions</th> <th>Same level of actions</th> <th>Decreasing actions</th> </tr> </thead> <tbody> <tr> <th>Decrease</th> <td>Grading 1 Very Effective</td> <td>Grading 2 Effective</td> <td>Grading 2 Effective</td> </tr> <tr> <th>Same</th> <td>Grading 3 Not Effective</td> <td>Grading 3 Not Effective</td> <td>Grading 3 Not Effective</td> </tr> <tr> <th>Increase</th> <td>Grading 3 Not Effective</td> <td>Grading 3 Not Effective</td> <td>Grading 4 Poor</td> </tr> </tbody> </table> <p>The table illustrates the effectiveness of an authority in reducing the total numbers of incidents over the year but also highlights enforcement action taken to prosecute and prevent incidents in future. It is important for authorities to focus on this type of pro-active prevention rather than only clear incidents.</p>			Number of Enforcement Action					Number of Incidents of Fly Tipping		Increasing actions	Same level of actions	Decreasing actions	Decrease	Grading 1 Very Effective	Grading 2 Effective	Grading 2 Effective	Same	Grading 3 Not Effective	Grading 3 Not Effective	Grading 3 Not Effective	Increase	Grading 3 Not Effective	Grading 3 Not Effective	Grading 4 Poor
Number of Enforcement Action																									
Number of Incidents of Fly Tipping		Increasing actions	Same level of actions	Decreasing actions																					
	Decrease	Grading 1 Very Effective	Grading 2 Effective	Grading 2 Effective																					
	Same	Grading 3 Not Effective	Grading 3 Not Effective	Grading 3 Not Effective																					
	Increase	Grading 3 Not Effective	Grading 3 Not Effective	Grading 4 Poor																					
<p>Worked example</p>	<p>N/A</p>	<p>Good performance</p>	<p>Good performance is indicated by a decrease in incident numbers in and an increase in enforcement action. A better score will be achieved if incident numbers only are reduced as opposed to enforcement numbers only are increased.</p>																						
<p>Collection interval</p>	<p>LA's report on a monthly basis – analysis is completed on a financial year.</p>	<p>Data Source</p>																							