

Integrating Sustainable Development Into Performance Management Processes



Forum for the Future

Introduction

This guidance note has been developed by Forum for the Future's Local Authority Partnership Network. Performance managers and sustainable development officers from 28 authorities in England and Wales met during 2005/06 to share practice and learning on how to integrate sustainable development principles into performance management processes. This guidance note is a result of the research and learning that took place as part of the network discussions and also draws on the work of the Performance Management Measurement and Information (PMMI) research project (led by the Improvement and Development Agency and the Audit Commission).

Aim

This paper is aimed at performance managers and sustainable development officers working in local government, to form a basis of discussion and generate ideas on how the two areas can work together to deliver more sustainable outcomes.

Making the connection

Put simply, performance management (PM) is 'taking action to make outcomes for local communities better than they would otherwise be'¹. Put simply, sustainable development (SD) is about improving the lives of people whilst living within environmental limits. Performance management and sustainable development are both improvement processes working towards the same end goal – improving people's lives.

Like performance management, sustainable development is not a separate or single issue dealt with by one officer or team; it is a way of doing things, a process that needs embedding into every part of the organisation to be successful. At the heart of sustainable development is the need to plan for the long term, the need to consider the wider impacts of local actions, and the need to deliver environmental, social and economic improvements in a joined-up way. Due to the pressures of meeting monthly targets and getting it right for the next inspection, a short-term culture is often forced onto performance management. In this environment it is easy to lose sight of the longer-term quality of life objectives that the council is trying to achieve. To be effective, performance management must always have an eye on the big picture objectives which the short-term targets should be moving us towards.

Defining a sustainable approach to performance improvement²

'Sustainable performance' is 'improved' performance in the sense that:

It reconciles long-term needs with those of the present (protecting and improving the quality of life of current generations without compromising the quality of life of future generations)

It seeks to ensure that needs are considered and met in a sustainable way (failure to do this is a risk and a failure to perform in a fully effective and efficient way)

It integrates the different aspects of wellbeing ensuring that environmental, economic and social dimensions are delivered in an integrated way and considers these over the long term. There are two aspects of integration:

1. opening up opportunities for, and actively promoting and supporting, synergies between the environmental, social and economic aspects of wellbeing; and
2. avoiding harmful 'silo' impacts in which apparent improvements in one aspect of wellbeing have a detrimental effect in another

It considers the wider impacts of improvements (beyond the authority's own boundaries e.g. impacts on neighbouring authorities, regional, national and local impacts)

It promotes efficiency through whole life costing, defining clear long-term outcomes and ensuring that resources (natural, social, human and financial capital) are maximised, sustained and conserved.

It is achieved, and continuously sustained, through processes that fully engage with communities and other stakeholders, to reflect changing needs and aspirations

¹ PMMI Project Audit Commission and IDEA

² This definition of sustainable performance is based on the Welsh Local Government Association's work around the revised "Wales Programme for Improvement" Guidance

The benefits of taking a sustainable approach to performance management

Sustainable development and performance management have a mutual dependency. The authority will not make real progress on improving the environmental, social and economic well-being of its residents without embedding the principles of sustainable development. Likewise real meaning and action on sustainable development will not take place without a good performance management framework. Multiple benefits can be realised from building sustainable development principles into an authority's performance management framework.

Benefits of Integrating Sustainable Development Principles into Performance Management	
Integrating sustainable development into performance management processes will:	
■	Help the authority to deliver its duty to progress environmental, social and economic wellbeing through the community strategy which also forms the strategic direction for the performance management framework.
■	Help the authority achieve an excellent CPA assessment. Research by the Audit Commission found that one of the biggest difference between an 'excellent' authority and a 'good' authority is the corporate assessment scores for performance management. Consequently under the new CPA 2005-08 authorities will have to demonstrate much more clearly that their performance management framework is really effective in delivering quality of life improvements for local residents. It is therefore even more important that sustainable development principles are built into performance management processes as another check that the system will deliver these outcomes
■	Help the authority assess and manage risks more effectively. Post CPA 2008 the Government is considering moving towards a more risk based approach to performance management. Sustainable development principles help people to think more widely about the impacts and risks of decisions particularly in terms of future proofing and looking at impacts beyond the immediate locality. The Wales Programme for Improvement recognises the benefit of integrating sustainable development into performance management processes and states that failure to do so constitutes a strategic risk and a failure in community leadership ³ . All Welsh authorities will be required to carry out an annual sustainability assessment as part of their performance management risk assessment process.
■	Help the authority progress joined up service delivery (a key issue for CPA 2005-08) through a greater emphasis on delivering the corporate and community priorities together. A key principle of sustainable development is ensuring that action in one priority area is not undermining progress in other key priority areas.
■	Help the authority deliver value for money and efficiency improvements. Resource efficiency, cutting out waste, delivering financial savings and long-term value for money is at the heart of sustainable development and a key improvement area for local government. Good housekeeping through environmental management and energy efficiency can bring significant cost savings and invest to save projects provide a sustainable means of financing efficiency improvements.
■	Help the authority improve partnership working. Performance management is no longer just about the authority it is about the wider performance of the community strategy and the LAA. Sustainable development processes place a strong emphasis on delivering locally through community strategies, Local Strategic Partnerships, Local Area Agreements, Local Development Frameworks, social enterprise, local businesses and community groups.
■	Help the authority to deliver the Government's SD strategy 'Securing the future' and the ODPMs Sustainable Communities agenda. Creating sustainable communities means putting sustainable development into practice through social inclusion, sustainable homes, jobs services, infrastructure and respect for the environment

Findings from the PMMI project and Forum for the Future's research⁴ shows that there are clear links between the characteristics of council's doing well on performance management and those doing well on embedding sustainable development.

Good Performance Management Practice	Good Sustainable Development Practice
■ A clear and workable corporate performance management framework with clear links between corporate and community objectives	■ Council's corporate objectives align with the area's Community Strategy priorities and these cumulatively represent a local view of sustainable development. These objectives provide the overarching framework for all council activities

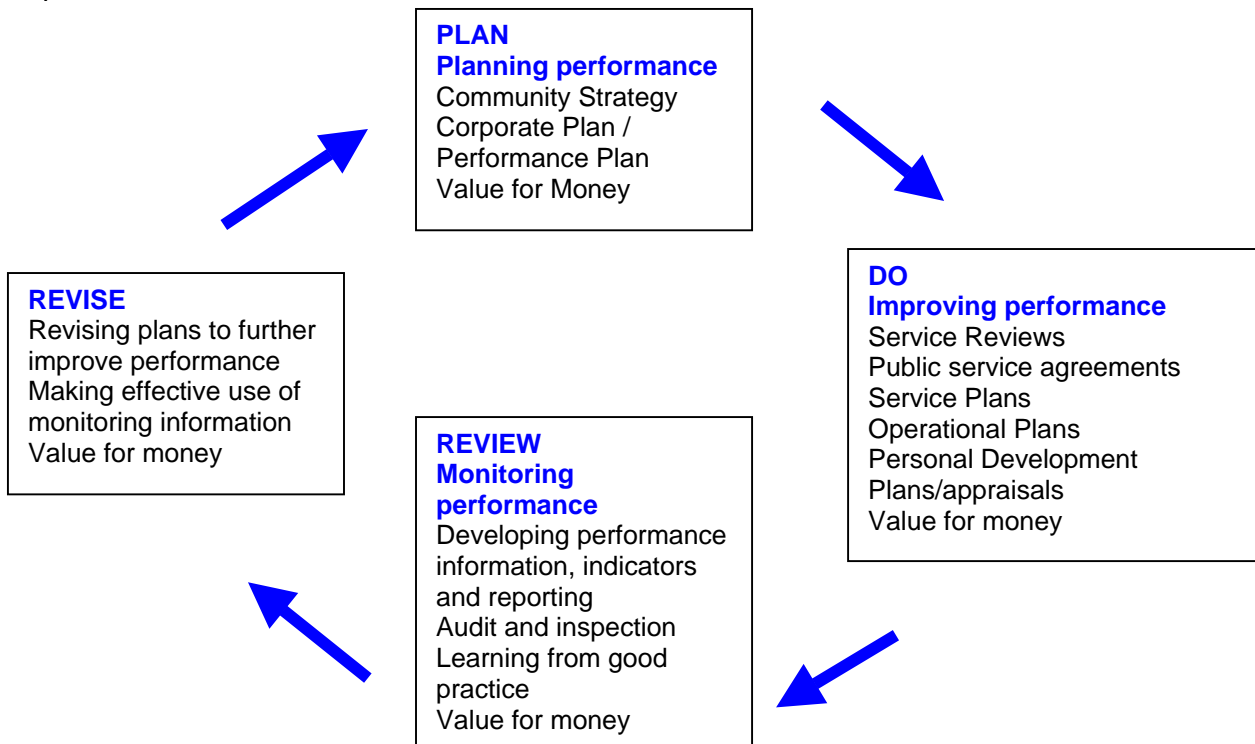
³ WPI Guidance for Local Authorities, 2005

⁴ An optimal approach to embedding sustainable development within a local authority, Forum for the Future briefing note

<ul style="list-style-type: none"> ■ A commitment to measuring performance and using performance information to make decisions 	<ul style="list-style-type: none"> ■ There is commitment to checking and measuring performance against the community and corporate priorities. A mechanism is in place to help integrated delivery of the key priorities (so actions in one area do not undermine another) and aid decision making. Key quality of life indicators based on corporate and community priorities are integrated into the performance management system and reported on to show how the council and community is moving towards its long term vision
<ul style="list-style-type: none"> ■ Staff understand the performance management framework and use it 	<ul style="list-style-type: none"> ■ Staff understand the overarching framework that represents SD (i.e. community and corporate objectives), are committed to implementing it and are able to apply it to their everyday work
<ul style="list-style-type: none"> ■ Links between performance management and other aspects of corporate governance such as financial management, risk management and human resources 	<ul style="list-style-type: none"> ■ The corporate and community priorities (representing SD) are actively used in planning and delivering policy, budget setting and operational activities
<ul style="list-style-type: none"> ■ <i>Source: PMMI Research Project</i> 	<ul style="list-style-type: none"> ■ <i>Source: Forum for the Future Sustainability Standard: Excellent Level</i>

Build in not bolt on

Performance management systems can take a number of different forms in different authorities, but they basically comprise of a plan-do-review and revise model. To be effective and stand the test of time sustainable development needs to be built in at every stage of the performance management system not bolted on at the end of improvement plans and activities. Building sustainable development principles into performance management processes is not rocket science; it can easily be done if there is political and senior management commitment to doing it. Senior leadership needs to be supported by greater awareness and understanding of all officers involved in performance management and backed up by the skills of competencies of sustainable development officers.



Building Sustainable Development Into The Performance Management Process		
PM Phase	Key SD Tasks	Examples
PLAN	PLAN	PLAN
Annual corporate planning cycle		
<p>■ Community Strategy</p> <p><i>“The PM framework must be built around community and corporate priorities. Objectives are cascaded down through departments, services and teams to an individual level. This is often called the golden thread. Following the golden thread from community or corporate objectives should show how your day-to-day activities are changing people’s lives for the better”</i> PMMI research project</p>	<ul style="list-style-type: none"> ■ When the community strategy is reviewed check again that it represents a robust local vision for delivering sustainable development ■ Secure Cabinet, LSP Executive and Senior Management support and commitment to delivering sustainable development through community planning ■ Involve SD Officer in community planning processes ■ Ensure SD expertise and stakeholders are represented in community planning processes and scrutiny arrangements ■ Deliver training for the LSP on how the community strategy can deliver sustainable development locally 	<p><i>Carmarthenshire County Council’s 2005/06 improvement plan is clearly structured around community and corporate priorities. 5 thematic improvement plans are linked to the community strategy and 2 are linked to the Council’s corporate plan. Delivering improvements in a sustainable way is a clear cross-cutting theme running through the community strategy and the improvement plan. This approach cascades through the organisation from the national level (Wales – A Better Country) to the community level (community strategy) and on to the council corporate and departmental level (strategic planning and service planning) through to operational planning and individual plans (PDPs)</i></p>
<p>■ Corporate plan and performance plan</p> <p><i>“Those doing a good job of making sense of the national initiatives use community priorities and corporate objectives to guide their implementation. Initiatives such as Best Value and Local Strategic Partnerships become the tools to meet local, as well as national, priorities”</i> PMMI research project</p>	<ul style="list-style-type: none"> ■ Ensure that the corporate plan and performance plan priorities align with the community strategy priorities and these represent a local framework for delivering SD (check that they fully reflect the UK SD strategy principles – See Annexe 1) ■ Ensure SD officer is linked into the corporate performance planning process ■ Develop a corporate integration assessment tool based on the corporate and community priorities that can be used to check that council plans, policies, projects and activities are delivering against the corporate and community objectives in the round (and therefore helping to deliver the local vision of SD). See Annexe 1 for details of an integration tool ■ Use the integration tool to appraise the performance plan as a double check that it will deliver across all the community and corporate priorities and at the very 	<p><i>In 2005 Cheltenham Borough Council developed an integration tool called ‘The Priorities Assessment Tool’ as a way of helping align key council decisions with community and corporate plan objectives. This tool has now been adopted by the council, by Cheltenham’s Sustainability Partnership and by Cheltenham’s Strategic Partnership as a framework for assessing new projects and strategies, and hence delivering sustainability objectives. It is being used by the council at the start of new projects and strategies, during consultation and when major initiatives are being brought forward for cabinet approval. It is also contributing to the council’s service planning and prioritisation processes.</i></p>

	<ul style="list-style-type: none"> ■ least will not undermine any of them ■ SD is about integrated delivery vertically and horizontally – golden thread (cascade down the organisation) and golden spread (joined up delivery across services) 	
<p><i>It is critical that sustainable development principles are built in at the community and corporate planning stage. If it is not built in at this strategic level there is little chance that it will be consistently reflected at other phases of the performance management process</i></p>		
<p>■ Resource and Budget Planning</p> <p><i>“Efforts to improve PM must be made in tandem with developments in financial management. Performance management frameworks must integrate objectives with the resources they need to turn them into delivery” PMMI Research</i></p>	<ul style="list-style-type: none"> ■ Ensure that the corporate and community priorities provide the overarching framework for financial management and budget allocation ■ Ensure that there is senior management support for this approach ■ Use the integration tool (based on corporate and community priorities) to appraise the financial plan and budget allocation. This will help answer the question: will the budget help deliver our priorities in the round? Ensure senior support for this approach in finance/resources team ■ Get Cabinet support and understanding for using the integration tool to assess budget allocation ■ Get the budget/finance Scrutiny committee to own and use the integration tool 	<p><i>Basingstoke and Deane Borough Council are using an integration tool called ‘The Corporate Framework’ to help identify and confirm how community and corporate priorities inform policy decisions, resource allocation and actual service delivery at the business unit level. Cabinet asked for the tool to be used in checking the way Leisure Services are delivered. This was an important pilot that resulted in a revised Leisure Services strategy showing exactly how these services would be delivered in a way that contributes to the community and council priorities in the round. Other uses include working with voluntary organisations to improve understanding of how their council-funded projects contribute to high-level priorities. The corporate framework will help ensure activities are clearly aligned to the Council Plan priorities and within the agreed budget strategy. In the search for increasingly effective and efficient service activities, this will be an important benefit of the new approach.</i></p>
<p>■ Value for Money</p>	<ul style="list-style-type: none"> ■ Delivering value for money runs throughout the performance management process ■ When planning service improvements focus on improvements that will provide the best value for money over the long term using a whole life costing approach (see Annexe 1 for further details on whole life costing) ■ Beware of short term cost cutting that will not provide sustained improvements over the long term ■ Create sustainable invest to save funds that capture financial savings from projects for re-investment 	<p><i>Woking Borough Council operates an innovative energy efficiency recycling fund where financial savings from energy and water projects are ploughed back into the capital fund to create an ongoing and sustainable investment fund. From an original £0.25 million in 1990 a total of £2.2 million has been invested in over 85 projects resulting in £4 million savings over 9 years (this equals £700,000 in savings per year from energy efficiency and water projects).</i></p>

DO	DO	
<ul style="list-style-type: none"> ■ Directorate Plans and Service Plans 	<ul style="list-style-type: none"> ■ Ensure service planning reflects corporate and community priorities (local vision of SD) in the round ■ Use an integration tool to appraise each directorate/service plan to check they will deliver on the priorities in the round and at the very least will not undermine any of them ■ Get understanding and support from Directors/Heads of Service for using the integration tool in service planning and the importance of delivering on community and corporate priorities in the round (explain how this will deliver SD locally). Provide workshop/training on these issues to help ownership and buy in ■ Ensure SD officer is involved in appraising service plans ■ Identify potential for improvements via joint service delivery (golden spread) – jointly delivering priorities will help integration (a key SD principle) 	<p><i>In 2005 Wrexham County Borough Council developed an integration tool called 'The Wrexham Strategic Framework' and piloted it on four services areas (Economic Development, Planning, Housing and the Environment Department) as part of their 2006-7 Service Management Planning process. Using the integration tool is helping Wrexham CBC to begin to link their service delivery to the Community Strategy, and to look for opportunities to work in long-term partnership with each other. A practical outcome of this approach is the proposed development of the Council's employment land at its Western Gateway site on the outskirts of Wrexham. Led by Economic Development, a multidisciplinary team has now been set up to develop an exemplar site which will expand the commercial base of the local economy. This will attract high growth sectors with sustainability kept at the core of all activities. The project will feature sustainable site design and innovative construction techniques that complement adjacent biodiversity and look at the potential for onsite micro generation and better energy management.</i></p>
<ul style="list-style-type: none"> ■ Operational Plans 	<ul style="list-style-type: none"> ■ Ensure the key tasks from the corporate and service plans are properly managed and delivered at operational level ■ Ensure operational managers and front line staff understand the links between their key tasks, the service level plan, the corporate plan and the community strategy – i.e. clearly communicate the golden threads ■ Identify potential for improvements via joint operational delivery between service areas ('golden spread') 	
<ul style="list-style-type: none"> ■ Prioritising the priorities <p><i>"For PM to work well there needs to be clarity about what</i></p>	<ul style="list-style-type: none"> ■ Ensure SD officer is part of prioritisation process ■ Improvement priorities need to flow from the community strategy but they also have to take account of: <ul style="list-style-type: none"> ○ CPA assessment and external inspectorate priorities 	<p><i>In 2005/06 Cheltenham Borough Council used the Sustainability Standard as part of an internal review of the Council's performance on sustainable development. The standard uses a</i></p>

<p><i>are and are not priorities. Setting clear priorities starts with developing a community strategy, from this authorities can develop their set of priorities through the corporate plan”</i> PMMI research</p>	<ul style="list-style-type: none"> ○ Stakeholder feedback (resident surveys, complaints, mori polls etc) ○ Risk management priorities (finance, key services, reputation, long term and wider impact risks) ○ Statutory and non-statutory policy priorities ○ Human resources issues <ul style="list-style-type: none"> ■ Throughout this prioritisation process ensure that the focus on the community strategy remains and that delivering on key environmental, social and economic priorities in a rounded way is not lost as a key principle ■ Use the Sustainability Standard (see Annexe 1 for further details on the standard) to check the authority’s performance on integrating sustainable development, this will help to highlight and prioritise areas that need improvement. This can be completed as part of the annual performance planning and prioritisation process. ■ Be clear about non-priorities. Good communication about what will happen to those priorities that have not been allocated as key improvement areas for this year is crucial to maintain partner and public confidence in the community planning process. Honest and accessible communication is a key principle of sustainable development. <i>“We recognise that some policies will place more emphasis on certain [SD] principles than others. Any trade-offs should be made in an explicit and transparent way.”</i> Government’s SD Strategy 	<p><i>benchmarking matrix to measure how far sustainability issues are mainstreamed by the authority, to establish any underperforming areas and to develop measures to improve performance. “The sustainability standard has been a really useful tool for assessing our strengths and weaknesses on delivering sustainable development corporately. The Council now has a clear action plan for the future.</i></p>
<ul style="list-style-type: none"> ■ Best Value Reviews and Service Reviews 	<ul style="list-style-type: none"> ■ Include as a priority any services known to have a poor sustainability performance ■ Focus on services that have significant impact on sustainability (e.g. transport, strategic land use planning, leisure and recreation, housing, waste) especially where these areas have come up as improvement priorities through inspection or stakeholder feedback ■ Involve the SD officer in the best value review team ■ Use the community strategy and corporate objectives to define the context for the review ■ Scope out the sustainability characteristics of the service under review ■ Ensure the whole review team knows about and understands the basic principles of SD and the link to corporate and community priorities ■ Use integration tool to undertake an assessment of how the service is currently delivering against the corporate and community priorities (local vision of SD) 	<p><i>Bristol City Council’s best value manual includes a sustainability checklist (integration tool), to be used by each review team with the sustainability officer. The checklist has evolved since the beginning of Best Value, and will continue to evolve with corporate and community priorities. To avoid duplication regeneration and equalities are included in the checklist. The checklist is used actively by the Sustainable City officer working with each review team to prompt ideas for changes each service can make to improve their sustainability performance. At a later stage the sustainability officer checks the Service Plan and makes suggestions for improvements.</i></p>

	<ul style="list-style-type: none"> ■ In the service review action plan ensure that there is a commitment to including improvements in sustainability performance <i>Source: Building Sustainability into Best Value, GO for London and Global to Local</i> 	
<ul style="list-style-type: none"> ■ Public Service Agreements 	<ul style="list-style-type: none"> ■ Ensure public service agreements include sustainability performance criteria and assessments with links to delivering the corporate and community objectives 	<p><i>Cornwall LPSA has outcomes to increase the level of patronage on local bus transport, increase recycling and composting, reduce fuel poverty and protect and enhance biodiversity.</i></p> <p><i>Kirklees Metropolitan Council has an energy management service level agreement working towards reducing CO2 emissions in its buildings by 1000 tonnes of CO2 (12.7%) by 2006. The successful verification of data for 2004 has provided incentive funding of £10,600 to continue work on reducing energy use and emissions in 2005.</i></p>
<ul style="list-style-type: none"> ■ Delivering through partnerships and LAAs 	<ul style="list-style-type: none"> ■ Partnership working and the negotiation of LAAs is a key opportunity to deliver quality of life improvements tailored to local needs. ■ Ensure key SD principles and challenges are included as cross cutting issues in LAA negotiations and fitted under the 4 blocks where appropriate (e.g. tackling climate change is a key cross cutting issue, fuel poverty can fit under the health block) or allocated their own block ■ Provide training for the LSP/LPSB on sustainable development and delivering service improvements in a joined up way ■ Develop an integration assessment tool based on the key objectives of the community strategy and the LAA to help the partnership check that they are delivering improvements in a joined up way 	<p><i>Derbyshire LAA has created a separate sustainable communities block with outcomes on local employment, affordable homes, heritage, improved access, environmental sustainability and greener public spaces.</i></p> <p><i>Swindon LAA has tackling climate change as a cross cutting issue with related outcomes on reducing fuel poverty</i></p>
<ul style="list-style-type: none"> ■ Environmental Management System (EMS) 	<ul style="list-style-type: none"> ■ Delivering improvements in environmental performance internally through the Council's own operations and externally through services is a crucial part of performance management and sustainable development ■ Whether the Council has a formal or informal EMS it should be integrated into mainstream performance management systems and processes wherever possible ■ The system should include targets and key performance indicators for key environmental aspects such as energy use, Co2 emissions, waste, transport and water 	<p><i>Through EMAS Leeds City Council has established a number of key performance indicators on sustainable development objectives, which are measurable and time-linked. Council departments and services take these into account in setting and managing improvement.</i></p> <p><i>Kirklees Metropolitan Council has a corporate data collection system on council wide environmental sustainability impacts that</i></p>

<ul style="list-style-type: none"> ■ Value for Money and Procurement 	<ul style="list-style-type: none"> ■ Identifying and delivering resource efficiency gains should be part of 'doing' improvement. ■ Focus on efficiency gains that will also deliver environmental improvements such as energy efficiency and minimising waste ■ Argue for a whole life costing approach to Value for Money – i.e. value for money over whole life of the activity (see Annexe 1 for a description of whole life costing) ■ Use an integration tool to check that procurement is sustainable activities i.e. to check that procurement is giving value for money over the long term and delivering against corporate and community objectives 	<p><i>informs and aids continuous environmental performance improvements.</i></p> <p><i>West Sussex County Council are using integration tool called 'The Strategic Framework' to assess large procurement activities and contracts worth over £2 million against corporate and community priorities.</i></p> <p><i>Carmarthenshire County Council have developed a sustainable procurement strategy and action plan to begin the process of making the Council's procurement activity more sustainable. As part of this process Carmarthenshire has piloted Forum for the Future's sustainable procurement assessment tool to help assess and improve procurement decisions.</i></p>
<p>REVIEW</p>	<p>REVIEW</p>	
<ul style="list-style-type: none"> ■ Developing meaningful performance information, indicators and reporting 	<ul style="list-style-type: none"> ■ Information is powerful and fundamental but it must be linked back to the corporate and community priorities to really drive performance in the right direction ■ Develop a set of corporate sustainability indicators to inform and help drive improvements. The corporate indicators should be drawn from and have ownership by all services rather than being a separate set of additional indicators ■ Use corporate sustainability targets and other relevant performance information from across council services to develop an annual sustainability performance report looking at how the council is performing on delivering sustainable development locally 	<p><i>West Sussex County Council have developed a core set of corporate sustainability targets and indicators that are drawn from and are owned by all relevant services across the council. In this way sustainability is really integrated into services and progress is measured in a robust and informative way</i></p> <p><i>Carmarthenshire Partnership have reviewed and updated a set of local quality of life indicators and grouped them around the themes of the community strategy. The indicators will paint a broad picture of quality of life in Carmarthenshire and help inform and measure progress on the community strategy. The Welsh Assembly Government is also reviewing performance measurement with the view to develop longer-term shared outcome targets for partnership working..</i></p> <p><i>In 2006 CIPFA will be publishing guidance on</i></p>

		<i>sustainability reporting for public sector organisations. The guidance is a clear signal that CIPFA think sustainability reporting is important. It will show LAs how to report on internal and external sustainable development performance.</i>
<ul style="list-style-type: none"> ■ Audit and Inspection 	<ul style="list-style-type: none"> ■ External inspection helps to focus on areas that need to improve ■ Check all inspection improvement areas and identify links to delivering sustainable development outcomes. ■ Focus on tracking improvement in these areas and develop them into case studies that can be used to help improvement elsewhere 	
<ul style="list-style-type: none"> ■ Learning from best practice 	<ul style="list-style-type: none"> ■ Sharing learning and improving from these lessons underpins performance management. Ensure that lessons from key sustainability challenges and improvements are captured and disseminated across the organisation as part of the performance management system ■ Use the Sustainability Standard to benchmark the authority's annual performance on integrating sustainable development, highlight areas that need improvement and assess year on year progress 	<p><i>In 2004 Kirklees, Leeds and, Bradford Councils established the Yorkshire EMAS Group to share best practice on delivering improvements in environmental performance.</i></p> <p><i>Forum for the Future's Local Authority Network shares learning and experience on integrating sustainable development into local government working</i></p>
<ul style="list-style-type: none"> ■ Value for money 	<ul style="list-style-type: none"> ■ When reviewing performance improvements for value for money focus on sustained Vfm over the long term – including contribution to delivering the corporate and community priorities 	<p><i>In 2004 Ealing Council pulled together all of its waste-related contracts into one large contract focused on waste minimisation. The contract was won by a social enterprise group who competed effectively not only on cost and quality but also contribution to corporate and community priorities through local employment and taking a sustainable approach to resource management. The Council has saved money in landfill costs and gained savings in recycling credits.</i></p>
REVISE	REVISE	
<ul style="list-style-type: none"> ■ Using performance monitoring information 	<ul style="list-style-type: none"> ■ It is important that performance information is acted upon and action plans are revised accordingly ■ Try to embed the principle of continuous improvement into performance management culture. Use ISO14001/EMAS standard guidance on continuous improvement as a guide ■ Produce an annual sustainability report to assess progress on delivering sustainable development across the Council and its services 	<p><i>In 2004/05 Woking Borough Council produced an annual sustainability report to track the Council's performance (in terms of it's own activities and the services it provides) on delivering sustainable development. Each year the report will identify sustainability priorities for service plans for the following two years to be agreed by heads of service and the</i></p>

	<ul style="list-style-type: none"> ■ Ensure service performance reports are shared with the sustainability officer so that they can help to review any actions affecting sustainability performance ■ Ensure Cabinet, other member committees and the senior management team are involved in the review process (i.e. they should regularly receive performance reports and provide input to the ongoing improvement process) 	<i>management team. In this way performance information is acted upon and sustainability has greater ownership at the service level</i>
■ Proper time allocated	<ul style="list-style-type: none"> ■ Ensure that proper time is allocated to the review stage to allow action plans to be revised and new plans implemented 	

Conclusions

Sustainable development and performance management are both dynamic processes working towards the same end goal of improving people's lives. Multiple benefits can be delivered if sustainable development is built into all stages of the performance management process rather than bolting it on at the end of improvement plans and activities. Sustainable development can be integrated at every stage of the performance management cycle if there is political and senior management commitment and leadership to do so. Key pressure points for building sustainable development in are:

- **Community and corporate planning:** ensure sustainable development is fully reflected in the community strategy and the corporate plan so that they cascade through the performance management system
- **LSP and LAA:** ensure cross-cutting SD principles and actions are included in the LSP and LAA performance management framework
- **Service planning and budget setting:** develop a sustainability integration tool (based on your authority's community and corporate priorities) to check that services and budgets will deliver corporate and community priorities in the round and that actions in one area will not undermine actions in other areas
- **Target setting and monitoring:** Focus performance management culture and drivers on long-term sustainable outcomes that will improve people's quality of lives (ensure that short-term targets are driving improvements in the right direction over the long term). Drawing on service plan targets and indicators that relate to SD, develop and integrate a corporate set of sustainability indicators into the performance management system to show how the council and the community are moving towards their long-term vision
- **Value for money:** make the case for a whole life costing and a longer-term approach to value for money. Look at the wider impacts of 'value for money' decisions in terms of delivering wider corporate and community objectives
- **SD expertise:** include staff with skills in sustainable development in key stages of the performance management process and build understanding and capacity through SD training for officers, members and key partnerships
- **Benchmarking and learning from best practice:** use the sustainability standard to check current performance on embedding SD internally and highlight areas for improvement. Look for and learn from best practice examples elsewhere

Annexe 1

The Government's Sustainable Development Strategy 'Securing the Future' Principles

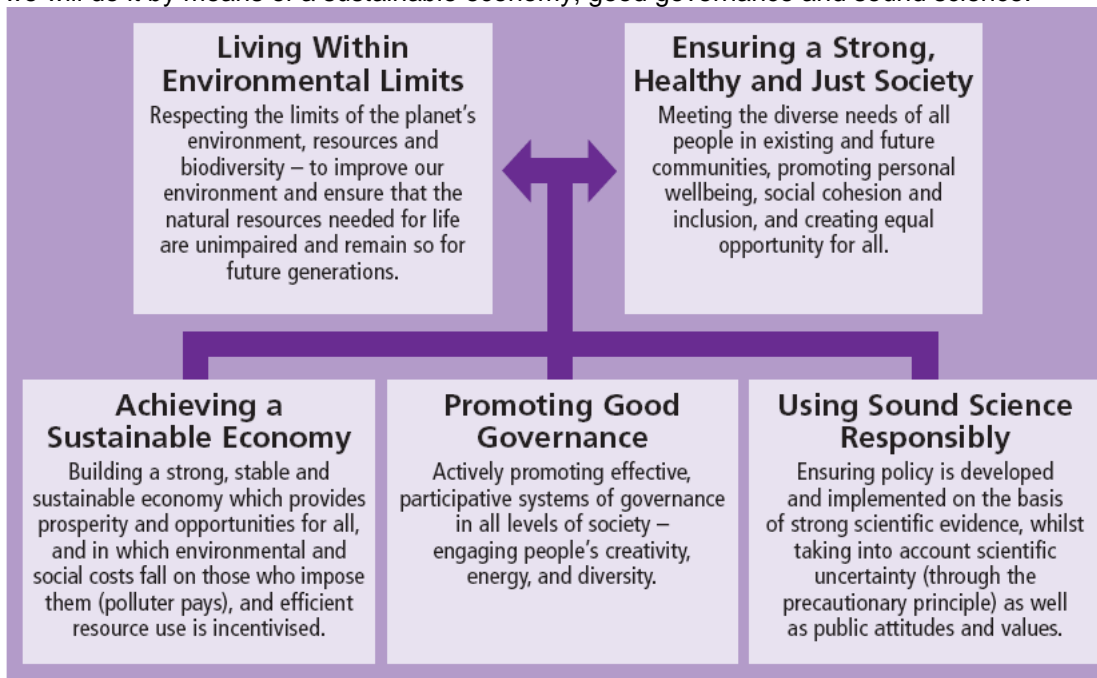
The goal of sustainable development is to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life, without compromising the quality of life of future generations.

For the UK Government and the Devolved Administrations, that goal will be pursued in an integrated way through a sustainable, innovative and productive economy that delivers high levels of employment; and a just society that promotes social inclusion, sustainable communities and personal wellbeing. This will be done in ways that protect and enhance the physical and natural environment, and use resources and energy as efficiently as possible.

Government must promote a clear understanding of, and commitment to, sustainable development so that all people can contribute to the overall goal through their individual decisions.

Similar objectives will inform all our international endeavours, with the UK actively promoting multilateral and sustainable solutions to today's most pressing environmental, economic and social problems. There is a clear obligation on more prosperous nations both to put their own house in order, and to support other countries in the transition towards a more equitable and sustainable world.

These principles will form the basis for policy in the UK. For a policy to be sustainable it must respect all five of these principles. We want to achieve our goals of living within environmental limits and a just society, and we will do it by means of a sustainable economy, good governance and sound science.



Description of the Integration Tool

The Sustainability Integration Tool (sometimes referred to as a strategic framework) is an appraisal tool and process based on the aims and objectives of the corporate plan and the community strategy. The tool is a means of appraising and aligning policies, plans, activities and projects to ensure that they reflect local needs and priorities. The tool can use the CPA categories to measure the contribution a policy/plan/activity will make towards delivering the corporate and community objectives and by flagging up any weak or undermining areas it allows improvements to be made at an early stage of the process. As the tool is based on the key tenets of sustainability (integration, long-term thinking and considering national and global implications) it is also a means

of embedding sustainable development into the workings of the Council. For further information contact Jenny Barker at Forum for the Future j.barker@forumforthefuture.org.uk

Description of the Sustainability Standard

The Sustainability Standard was developed by Forum for the Future's Local Authority Network 2004-05. Inspired by the interest and momentum generated by the Equality Standard, our partners felt that they needed something that would help benchmark and mainstream sustainability into all of the council's activities. The Sustainability Standard consists of a **benchmarking matrix**, which is used to self-assess the authority's level of achievement, and a set of **guidance** notes and examples, which can be used to inspire discussion of steps towards improvement. The sustainability standard is now being developed nationally by Forum for the Future, CIPFA, SDC and NLGN. For further information contact Vicky Burvill at Forum for the Future v.burvill@forumforthefuture.org.uk

Defining whole life costing

Whole life costing is based on the principle that financial, environmental and social costs accrue to each part of a product or service during its whole life cycle, not just at the point of buying and using the service. Purchasers should consider the key stages of a product/service's lifespan – design, raw material, sourcing, manufacture, delivery, use and disposal and identify the potential social, environmental and economic impacts and costs both positive and negative for each stage when evaluating a range of products. When taking this approach it is often the case that the cheapest purchase price is not always the best value when comparing products over their whole lifespan. For assistance with whole-life costing see the Joint Procurement Policy and Strategy Group (www.jpmsg.ac.uk). They have modified an existing whole life cost model to enable the user to include sustainability criteria into their assessment of purchases.

Annexe 2: References

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<http://www.odpm.gov.uk>

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Forum for the Future briefing note an optimal approach to embedding sustainable development into a local authority, 2004

Integrating sustainable development appraisal into local authority performance management systems, Forum for the Future, April 2005

Sustainability standard and briefing note, Forum for the Future, 2005/06

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