

**Report to: Resources Select
Committee**

Date of meeting: 14 July 2015



Portfolio: Finance (Councillor S. Stavrou)

Subject: Key Performance Indicators 2014/15 - Quarter 4 (Outturn) Performance

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Recommendations/Decisions Required:

That the Select Committee review outturn performance in relation to the key performance indicators within its areas of responsibility.

Executive Summary:

Pursuant to the Local Government Act 1999, the Council is required to make arrangements to secure continuous improvement in the way in which its functions and services are exercised, having regard to a combination of economy, efficiency and effectiveness.

As part of the duty to secure continuous improvement, a range of Key Performance Indicators (KPI) relevant to the Council's services and key objectives, are adopted each year. Performance against KPIs is monitored on a quarterly basis, and has previously been a focus of inspection in external assessments and judgements of the overall progress of the authority.

Reasons for Proposed Decision:

The KPIs provide an opportunity for the Council to focus attention on how specific areas for improvement will be addressed, and how opportunities will be exploited and better outcomes delivered.

A number of KPIs are used as performance measures for the Council's key objectives for each year. It is important that relevant performance management processes are in place to review and monitor performance against the key objectives, to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of slippage or under performance.

Other Options for Action:

No other options are appropriate in this respect. Failure to monitor and review KPI performance and to consider corrective action where necessary could have negative implications for judgements made about the Council's progress, and might mean that opportunities for improvement are lost.

Report:

1. A range of thirty-six Key Performance Indicators (KPI) for 2014/15 was adopted by the Finance and Performance Management Cabinet Committee in March 2014. The KPIs are important to the improvement of the Council's services and the achievement of its key objectives, and comprise a combination of some former statutory indicators and locally determined performance measures. The aim of the KPIs is to direct improvement effort towards services and the national priorities and local challenges arising from the social, economic and environmental context of the district, that are the focus of the key objectives.
2. Progress in respect of each of the KPIs is reviewed by the relevant Portfolio Holder, Management Board, and overview and scrutiny at the conclusion of each quarter. In order to enhance the value of the on-going review of KPI performance throughout each year, no indicators are subject to scrutiny or performance reporting at year-end only.
3. Improvement plans are produced for all of the KPIs each year, setting out actions to be implemented in order to achieve target performance, and to reflect changes in service delivery. In view of the corporate importance attached to the KPIs, the improvement plans are agreed by Management Board and are also subject to ongoing review between the relevant service director and Portfolio Holder over the course of the year.
4. As part of the overview and scrutiny review undertaken in 2013/14, changes were made to arrangements for the quarterly review of KPI performance. From the 2014/15 municipal year, Select Committees (formerly Scrutiny Panels) became responsible for the review of quarterly performance against specific KPIs within their areas of responsibility. Therefore this report includes in detail only those indicators which fall within the areas of responsibility of the Resources Select Committee.

Key Performance Indicators 2014/15 - Quarter 4 (Outturn) Performance

5. The overall position with regard to the achievement of target performance for **all** of the KPIs at the end of the year(31 March 2015) of the year, was as follows:
 - (a) 26 (72%) indicators achieved the cumulative end of year target;
 - (b) 10 (28%) indicators did not achieve the cumulative end of year target, although
 - (c) 1 (3%) of these KPIs performed within the agreed tolerance for the indicator.
6. Eleven (11) of the Key Performance Indicators for 2014/15 fall within the Resources Select Committee areas of responsibility. The overall position with regard to the achievement of target performance at the end of the year for these eleven indicators, was as follows:
 - (a) 7 (64%) indicators achieved the cumulative fourth quarter target, and
 - (b) 4 (36%) indicators did not achieve the cumulative fourth quarter target.
7. A headline end of year performance summary in respect of each of the KPIs falling within the Resources Select Committee areas of responsibility for 2014/15, is attached as Appendix 1 to this agenda together with details of the specific twelve (12) month performance for each indicator.
8. The 'amber' performance status used in the KPI report identifies indicators that have missed the agreed target for the quarter, but where performance is within an agreed tolerance or range. The KPI tolerances were agreed by Management Board when targets for the KPIs were set in February 2014, or were subsequently determined by the appropriate service directors.
9. The Select Committee is requested to review outturn performance in relation to the KPIs for 2014/15 within its areas of responsibility.

Resource Implications:

Resource requirements for actions to achieve specific KPI performance for 2014/15 will have been identified by the responsible service director/chief officer and reflected in the budget for the year.

Legal and Governance Implications:

There are no legal or governance implications arising from the recommendations of this report. Relevant implications arising from actions to achieve specific KPI performance for 2014/15 will have been identified by the responsible service director/chief officer.

Safer, Cleaner, Greener Implications:

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the corporate Safer, Cleaner, Greener initiative, or any crime and disorder issues within the district. Relevant implications arising from actions to achieve specific KPI performance for 2014/15 will have been identified by the responsible service director/chief officer.

Consultation Undertaken:

The performance information and targets set out in this report have been submitted by each appropriate service director and have been reviewed by Management Board. The individual KPI improvement plans for 2014/15 will be agreed by the Board.

Background Papers:

Fourth-quarter KPI submissions are held by the Performance Improvement Unit. KPI calculations and supporting documentation is held by respective service directorates

Impact Assessments:***Risk Management***

There are no risk management issues arising from the recommendations of this report. Relevant issues arising from actions to achieve specific KPI performance for 2014/15 will have been identified by the responsible service director/chief officer.

Equality:

There are no equality implications arising from the recommendations of this report. Relevant implications arising from actions to achieve specific KPI performance for 2014/15 will have been identified by the responsible service director/chief officer.