

**Report to: Finance and Performance
Management Cabinet Committee**



**Epping Forest
District Council**

Report Reference: FCC-001-2010/11.

Date of Meeting: 14 June 2010

Portfolio: Performance Management.

Subject: Key Performance Indicators – Outturn for 2009/10 & Adoption for 2010/11.

Responsible Officer: Steve Tautz (01992 564180).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

(1) That the Council's overall outturn performance for 2009/10, in relation to the Key Performance Indicators adopted for the year, be noted; and

(2) That proposals for the adoption of Key Performance Indicators for 2010/11 recommended by the Finance and Performance Management Scrutiny Panel, including the setting of a 70% corporate improvement target for the year, be agreed.

Executive Summary:

Key Performance Indicators (KPI) relevant to the Council's core activities and corporate priorities and objectives are adopted each year. Performance against the KPIs is a regular inspection theme in external judgements on the overall performance of the Council.

Reasons for Proposed Decision:

It is important that relevant performance management processes are in place to review and monitor performance against the Council's key priorities, objectives, and indicators, in order to identify proposals for appropriate corrective action in areas of under performance.

Other Options for Action:

No other options are available in this respect. Failure to monitor and review performance against key priorities, objectives, and indicators and to take corrective action where necessary, could have negative implications for judgements made about the Council in corporate assessment processes, and might mean that opportunities for improvement were lost. The Council has previously agreed arrangements for monitoring progress against the achievement of targets set for the KPIs and other performance indicators.

Report:

Key Performance Indicators 2009/10 - Outturn

1. As the Cabinet Committee will be aware, a range of fifty-eight KPIs was adopted for 2009/10. Details of the KPIs for the year are attached as Appendix 1 to this report.

2. The KPIs are important to the Council's activities, and reflect its corporate priorities and objectives, comprising a mix of statutory National Indicators (NIs), Local Performance

Indicators (LPis) (a number of which are former statutory Best Value Performance Indicators), and other locally determined indicators that the Council has 'had regard to' in the current Local Area Agreement (LAA) for Essex. The aim of the KPIs is to focus improvement on key areas and to achieve comparable performance with that of the top performing local authorities (where appropriate), and to then maintain or improve further on that level of performance.

3. Targets for the KPIs have traditionally been based on the most recently available national performance information published by the Audit Commission. The new NI set replaced all existing BVPIs from April 2008 and, as baseline information was not necessarily available for these indicators, targets were either determined locally or drawn from the LAA where relevant. In adopting the KPIs for 2009/10, a target was set for at least 80% to achieve target performance by the end of the year.

4. Improvement plans are produced for the KPIs each year, which also contain details of service costs, and feed into the Council's annual business planning process and cost and performance benchmarking analysis. Progress in achieving target performance in respect of the KPIs is reported to the Finance and Performance Management Scrutiny Panel and the relevant Portfolio Holder at the conclusion of each quarter (where appropriate) and at year-end.

5. Individual outturn performance reports for each of the KPIs for 2009/10 were considered by the Finance and Performance Management Scrutiny Panel at its meeting on 10 June 2010.

6. It should be noted however that final performance against a number of indicators cannot currently be reported. The following indicators comprise measures for which finalised outturn data for 2009/10 is due to be reported by other organisations and which has not yet been published, where (in the case of NI 14) targets were not required to be set, or where (NI 160) the indicator was subject of a bi-ennial survey measure that was not required to be undertaken in 2009/10. Additionally, data for LPI 23 (Capital Projects) was not reported during the year as a result of uncertainty around the purpose and scope of the indicator, and a revised version has therefore been introduced for 2010/11:

- NI 14 - Avoidable Contact;
- NI 160 - Tenant Satisfaction;
- NI 184 - Food Establishments;
- NI 185 - CO² Reduction (Local Authority);
- NI 186 - CO² Reduction (Per Capita);
- NI 194 - Air Quality; and
- LPI 23 - Capital Projects.

7. Having regard to the issues raised above, the year-end position with regard to the achievement of target performance for the KPIs for 2009/10, is as follows:

- (a) 31 (53.4%) achieved the performance target for 2009/10;
- (b) 20 (34.5%) did not achieve the performance target for 2009/10;
- (c) 8 (40%) of those (20) that did not achieve the performance target for 2009/10 were within 5% of the target for the year;
- (d) 4 (6.9%) cannot currently be reported;
- (e) 1 (1.7%) was not required to be measured in 2009/10;

(f) 1 (1.7%) was not required to subject to a performance target; and

(g) 1 (1.7%) was not reported during 2009/10.

8. The removal of the seven indicators in categories (d) to (g) above bring the current reportable level of KPI target achievement for 2009/10 to 60.8%. This outturn position could obviously increase once performance for the outstanding four indicators (NI 184, 185, 186 and 194) is known.

9. The Cabinet Committee is requested to note the Council's performance in relation to its KPIs for 2009/10.

Key Performance Indicators 2010/11

10. At its meeting on 15 March 2010, the Cabinet Committee considered proposals for the adoption of KPIs for 2010/11, and draft KPI targets for the year. At that time, members requested that the suite of KPIs be reviewed in terms of relevance and priority, to ensure that the indicators were appropriately focused on the Council's key objectives and local community priorities. This section of the report presents the results of further work in this respect.

11. Since March 2010, the Council has received notification from the Department for Communities and Local Government (DCLG) of the deletion of the following National Indicators (NI) which had been adopted as KPIs for 2009/10, with effect from 1 April 2010:

NI 14 Reducing avoidable contact
NI 170 Previously developed vacant land
NI 180 Housing/Council Tax Benefit – Changes of circumstance
NI 184 Food establishments broadly compliant with food hygiene law

12. Although there is no longer a statutory requirement to report performance against these indicators, it is considered that NI 14 (Avoidable Contact) has proved to be a useful tool for the identification of areas for service improvement over the last two years. Given that systems are already in place for the assessment of levels of avoidable contact across relevant service areas, the Finance and Performance Management Scrutiny Panel and the Corporate Executive Forum wish to maintain the spirit and purpose of NI 14 through the development of a replacement local performance indicator, and it is intended that a further report in this respect will be made to a future meeting of the Scrutiny Panel.

13. In order to ensure that the KPIs to be adopted for 2010/11 are appropriately focused on the Council's key objectives and local community priorities, a mapping exercise has been undertaken to demonstrate the linkages between the indicators, with the Council's new Medium-Term Aims for 2010/11 to 2013/14, the authority's Key Objectives for 2010/11, and the priorities identified in the emerging Sustainable Community Strategy for the district. The results of this mapping exercise were considered by the Finance and Performance Management Scrutiny Panel in April 2010. The indicator suite has also recently been reviewed by the Performance Management Portfolio Holder, who has sought to identify a subset of priority indicators that could be monitored regularly by Portfolio Holders and the Scrutiny Panel, in order to give an indication of the progress that the Council is making in key areas.

14. As a result of these exercises, the Scrutiny Panel has recommended the adoption of a reduced set of KPIs for 2010/11, and the deletion of the following indicators from the KPI set for the year, in addition to those indicators already removed by DCLG:

NI 157(c) Processing of planning applications ('Other' applications)
NI 160 Local authority tenants' satisfaction with landlord services (Bi-ennial survey)
NI 195(c) Improved street and environmental cleanliness (Detritus)
NI 195(d) Improved street and environmental cleanliness (Fly-posting)
LPI 2(a) Processing of license applications (Premises)
LPI 2(b) Processing of license applications (Temporary Event)
LPI 2(c) Processing of license applications (Hackney Carriage)
LPI 49 Museum visits (Organised school groups)

15. The schedule of individual KPIs and targets proposed by the Scrutiny Panel for 2010/11 is attached as Appendix 2 to this report. Subject to the agreement of the Cabinet Committee, this schedule will comprise the Council's full suite of monitored indicators for the year.

16. In agreeing the revised indicator set for 2010/11, the Scrutiny Panel has also recommended that an overall KPI performance improvement target of 70% be agreed for the year. As part of process of agreeing the KPI Improvement Plans for 2010/11, the Corporate Executive Forum will review the provisional targets for each KPI with reference to outturn data for 2009/10. As in 2009/10, it is likely that some targets will be revised from the provisional targets currently identified.

17. The Cabinet Committee is requested to agree proposals for the adoption of Key Performance Indicators for 2010/11 recommended by the Finance and Performance Management Scrutiny Panel, including the setting of a corporate KPI improvement target of 70% for the year.

Resource Implications:

The respective Service Director will identify the resource requirements for any proposals for corrective action in respect of areas of KPI under-performance during 2010/11.

Legal and Governance Implications:

There are no legal implications or Human Rights Act issues arising from the recommendations in this report, which ensure that the Council monitors progress against its corporate KPI improvement target for 2010/11, and that proposals for corrective action are considered in respect of areas of current under-performance.

Safer, Cleaner and Greener Implications:

The respective Service Director will have identified any implications arising from proposals for corrective action in respect of areas of KPI under-performance during 2010/11, in respect of the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative, or any Crime and Disorder issues within the district.

Consultation Undertaken:

The performance information set out in this report has been submitted by each appropriate Service Director, and has been reviewed and considered by the Finance and Performance Management Scrutiny Panel and the Corporate Executive Forum. Submitted performance information has been tested by the Performance Improvement Unit in accordance with the Council's Data Quality Strategy. This report was considered by the Performance Management Portfolio Holder in advance of its inclusion in this agenda.

Background Papers:

Fourth quarter and year-end KPI calculations and submissions held by the Performance Improvement Unit.

Impact Assessments:***Risk Management***

The respective service director will identify any risk management issues arising from proposals for corrective action in respect of areas of KPI under-performance during 2010/11.

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?

No. However, the respective Service Director will identify any equality issues arising from proposals for corrective action in respect of areas of KPI under-performance during 2010/11.

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?

N/A

What equality implications were identified through the Equality Impact Assessment process?

N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?

N/A