

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

Date of Meeting: 20 March 2014



**Epping Forest
District Council**

FPM-002-2013

Report reference: FPM-025-2013/14

Portfolio: Finance and Technology

Subject: Key Performance Indicators 2013/14 (Performance) & 2014/15 (Targets)

Officer contact for further information: S. Tautz (01992 564180)

Democratic Services Officer: R. Perrin (01992 564532)

Recommendations/Decisions Required:

- (1) That the Committee note nine-month performance for the Key Performance Indicators adopted for 2013/14; and**
- (2) That, subject to the views of the Finance and Performance Management Scrutiny Panel, the proposed Key Performance Indicators and targets for 2014/15 be agreed.**

Executive Summary:

1. 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.
2. As part of the duty to secure continuous improvement, a range of Key Performance Indicators (KPI) relevant to the Council's service priorities and key objectives, are adopted each year. Performance against all of the KPIs is reviewed 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:

3. 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.
4. 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:

5. No other options are appropriate in this respect. Failure to identify challenging performance targets, could mean that opportunities for improvement are lost and might have negative implications for judgements made about the progress of the Council.

Report:

6. A range of thirty-five Key Performance Indicators (KPI) was adopted for 2013/14 in March 2013. The KPIs are important to the improvement of the Council's services and the achievement of its key objectives, and comprise a combination of 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.
7. Three-monthly progress in respect all of the KPIs is reviewed by Management Board and (currently) the Finance and Performance Management Scrutiny Panel at the conclusion of each quarter, and service directors review KPI performance with the relevant portfolio holder(s) on an on-going basis throughout the year. No indicators are subject to scrutiny at year-end only, as end of year reporting is not made until each June (three months into the next year), and does not therefore allow for corrective action to be identified or implemented during the year in question.

Key Performance Indicators 2013/14 – Quarter 3 Performance

8. The position with regard to the achievement of target performance for the KPIs at the end of the third quarter (30 June to 31 December 2013) of the year, was as follows:
 - (a) 28 (80%) indicators achieved the cumulative third-quarter target;
 - (b) 7 (20%) indicators did not achieve the cumulative third-quarter target, although 1 (14%) of these KPI performed within the agreed tolerance for the indicator; and
 - (c) 29 (83%) indicators are currently anticipated to achieve the cumulative year-end target.
9. Detailed cumulative performance reports for each of the KPIs were considered by the Finance and Performance Management Scrutiny Panel at its meeting on 11 March 2014.

Key Performance Indicators 2014/15 – Targets

10. The adoption of challenging but achievable KPIs each year is a key element of the Council's Performance Management Framework. The continued relevance of the existing KPI set for 2014/15 has recently been considered by Management Board.
11. Although a number of new indicators and some revisions to existing KPIs are proposed for 2014/15, it is not intended that significant changes be made to the indicator set for the next year, as the current suite of measures is considered appropriate for the ongoing evaluation of relevant performance factors. Service directors have identified provisional targets for each indicator with the relevant portfolio holder(s), based on third-quarter performance (and the estimated outturn position) for the current year. Details of the proposed KPIs and targets for 2014/15 are set out at Appendix 1 to this report.
12. The Committee is requested to agree the proposed KPIs and targets for 2014/15. These were also considered by the Finance and Performance Management Scrutiny Panel at its meeting on 11 March 2014 and the views of the Scrutiny Panel in this respect will be reported to the Committee.

13. The KPIs will comprise the totality of the Council's corporate performance indicator measures for 2014/15. Improvement plans will be developed for each KPI, identifying actions to achieve target performance, which will be considered and agreed by Management Board. As part of this process, the Board will also review the provisional targets for each KPI with reference to outturn data for 2013/14 when this available. Any revisions to targets on the basis of the outturn position will be reported to the Committee and the appropriate overview and scrutiny panel in June 2014.

Resource Implications:

Resource requirements for actions to achieve specific KPI performance for 2014/15 will have been identified by the responsible service director 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.

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.

Consultation Undertaken:

The draft KPIs and targets set out in this report have been proposed by service directors in consultation with relevant portfolio holder(s). The indicators and targets have been considered by Management Board and the Finance and Performance Management Scrutiny Panel.

Background Papers:

Third quarter KPI submissions held by the Performance Improvement Unit. KPI calculations and supporting documentation held by respective service directors

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.

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.