

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



**Epping Forest  
District Council**

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**Report reference: FPM-025-2014/15  
Date of Meeting: 19 March 2015**

**Portfolio: Governance and Development Management**

**Subject: Key Performance Indicators 2014/15 (Q3 Performance) & 2015/16 (Targets)**

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**Recommendations/Decisions Required:**

- (1) That the Committee note nine-month performance for the Key Performance Indicators adopted for 2014/15; and**
- (2) That, subject to the views of the Finance and Performance Management Scrutiny Panel, the proposed Key Performance Indicators and targets for 2015/16 be agreed.**

**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 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:**

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. 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 identify challenging performance targets, and review and monitor performance could mean that opportunities for improvement are lost and might have negative implications for judgements made about the progress of the Council.

## **Report:**

- 1) A range of thirty-six Key Performance Indicators (KPI) was adopted for 2014/15 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 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) Three-monthly progress in respect all of the KPIs is reviewed by Management Board and overview and scrutiny 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.
- 3) As part of the overview and scrutiny review undertaken in 2013/14, changes have been made to arrangements for the review of KPI performance. With effect from the current municipal year, the existing scrutiny panels (Finance and Performance Management, Housing, Planning Services, Safer, Greener, Cleaner) are now each responsible for the review of quarterly performance against specific KPIs within their areas of responsibility, rather than all indicators being considered by the Finance and Performance Scrutiny Panel as previously.

## **Key Performance Indicators 2014/15 – Quarter 3 Performance**

- 4) 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 2014) of the year, was as follows:  
  
26 (72%) indicators achieved the cumulative third-quarter target;  
10 (27%) indicators did not achieve the cumulative third-quarter target, although 1 (3%) of these KPI performed within the agreed tolerance for the indicator; and  
29 (81%) indicators are currently anticipated to achieve the cumulative year-end target.
- 5) A headline third quarter KPI performance report for 2014/15 is attached for the consideration of the Committee as Appendix 1 to this agenda. Detailed performance reports in respect of each of the KPIs will be considered by the individual scrutiny panels during the current cycle of meetings.
- 6) The 'amber' performance status used in the KPI report identifies those indicators that missed the agreed target for the year, but where outturn performance was within an agreed tolerance and range. The KPI tolerances were agreed by Management Board when targets for the KPIs were set in February 2014, or were subsequently confirmed with the appropriate service directors.

## **Key Performance Indicators 2015/16 – Targets**

- 7) 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 2015/16 has recently been considered by Management Board. The current suite of measures is considered appropriate for the ongoing evaluation of relevant performance factors, with some changes:

3 (three) indicators have been deleted as no longer carried out by EFDC or are ineffective;

3 (three) new indicators have been added to replace 1 (one) of the deletions; and

3 (three) indicators have had their definitions revised to facilitate benchmarking or to comply with new Government guidance.

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 2015/16 are set out at Appendix 2 to this report.

- 8) The KPIs will comprise the totality of the Council's corporate performance indicator measures for 2015/16. 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 2014/15 when this is 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 2015.
- 9) The Committee is requested to agree the proposed KPIs and targets for 2015/16. These will also be considered by the individual Scrutiny Panels during the current cycle of meetings and the views of the scrutiny panels in this respect will be reported to the Committee.

### **Resource Implications:**

Resource requirements for actions to achieve specific KPI performance for 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 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 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 during February 2015.

**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 will have been identified by the responsible service director.

## Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

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