

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

**Report Reference: FPM-028-2016/17  
Date of Meeting: 30 March 2017**



**Epping Forest  
District Council**

**Portfolio:** Governance and Development Management

**Subject:** Key Performance Indicators 2016/17 Q3 Performance; 2017/18 review and targets

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**Recommendations/Decisions Required:**

- (1) that the Committee reviews Quarter 3 performance for the Key Performance Indicators adopted for 2016/17;**
- (2) That, subject to the views of the select committees, the proposed Key Performance Indicators and targets for 2017/18 be agreed.**

**Executive Summary:**

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, is adopted each year. Performance against all of the KPIs is reviewed on a quarterly basis.

**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. 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 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 2016/17 in March 2016. The KPIs are important to the improvement of the Council's services 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.

2. 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. Select Committees are each responsible for the review of quarterly performance against specific KPIs within their areas of responsibility.

### **Key Performance Indicators 2016/17 – Quarter 3 Performance**

3. The position with regard to the achievement of target performance for the KPIs at the end of the third quarter (31 December 2016), was as follows:

- (a) 26 (70%) indicators achieved third quarter target;
- (b) 11 (30%) indicators did not achieve third quarter target, although 4 (11%) of KPIs performed within the agreed tolerance for the indicator; and,
- (c) 31 (84%) indicators are currently anticipated to achieve the cumulative year-end target, and a further 3 (8%) are uncertain whether they will achieve the cumulative year-end target.

4. A headline Q3 KPI performance report for 2016/17 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 select committees.

5. The 'amber' performance status used in the KPI report identifies those indicators that missed the agreed target for the year, but where performance was within an agreed tolerance or range (+/-). The KPI tolerances were agreed by Management Board when targets for the KPIs were set in March 2016.

### **Key Performance Indicators 2017/18 – review and targets**

6. 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 2017/18 has recently been considered by Management Board. 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.

7. The current set is considered appropriate with the following changes:

#### **Recommended for deletion:**

- RES009, RES010, and RES011 – the website indicators
- COM006 - How many of the key building components required to achieve the Modern Homes Standard were renewed

**New indicators:** No new indicators are recommended for 2017/18.

**Changes to targets:** a number of changes to targets are detailed in the attached Appendix 2.

8. Improvement plans will be developed for KPIs if and when they fail to achieve target. Management Board will also review the provisional targets for 2017/18 for each KPI, with reference to outturn data for 2016/17 when this is available. Any revisions to targets on the basis of the outturn position will be reported to the Committee and the appropriate select committees in June 2017.

9. The proposed changes to the Communities Directorate KPIs for 2017/18 as set out at

para. 7, were supported by the Communities Select Committee on 14 March 2017. The proposals for the remaining indicators will be considered by the relevant select committees in the current round of meetings.

10. The Committee is requested to review Q3 performance for the 2016/17 set of KPIs and agree the proposed KPI set and targets for 2017/18.

**Resource Implications:** None for this report.

**Legal and Governance Implications:** None for this report; however performance management of key or new high level initiatives is important to the achievement of value for money.

**Safer, Cleaner, Greener Implications:** None for this report.

**Consultation Undertaken:** Relevant Select Committees and the Finance and Performance Management Cabinet Committee.

**Background Papers:** Q3 KPI submissions held by the Performance Improvement Unit. KPI calculations and supporting documentation held by respective service directorates

**Impact Assessments:**

**Risk Management:** None for this report.