

# **Report to: Finance and Performance Management Scrutiny Panel**

**Date of Meeting: 11 February 2008**



**Portfolio:** Finance, Performance Management and Corporate Support Services (Councillor C. Whitbread)

**Subject:** National Outcome and Indicator Set

**Officer contact for further information:** S. Tautz (Ext 4180)

**Committee Secretary:** A. Hendry (Ext 4246)

---

## **Recommendation:**

**That the Scrutiny Panel note details of the new National Outcome and Indicator Set to be introduced from April 2008, and the review currently being undertaken into the continued monitoring of appropriate existing Best Value and Local Performance Indicators.**

## **Report:**

### **Background**

1. (Deputy Chief Executive) At its meeting in November 2007, the Scrutiny Panel was advised of the publication by the Department for Communities and Local Government (DCLG), of a new 'national indicator set' to replace all other suites of performance indicators, including Best Value Performance Indicators (BVPIs), with effect from April 2008. This report sets out details of the new National Outcome and Indicator Set, and a review currently being undertaken of all existing BVPIs and Local Performance Indicators (LPIs).

2. In 2007 the White Paper 'Strong and Prosperous Communities' outlined a new performance framework for local government, aimed at:

- reducing the burden on local authorities to collect performance information, by imposing fewer indicators centrally;
- local authorities setting their own priorities, determining performance measurement, and monitoring performance through partnership working, thereby focusing on and responding to local priorities; and
- devolving power to local authorities and their partners by making them accountable for all delivery of service to their citizens.

3. The new local performance framework aims to reform the way in which public services are delivered, within the health, welfare, housing, employment, education, communities, economic development, policing and community safety, and environment sectors. It is designed to help the Government to focus on its priorities in a coordinated way

and to transfer power to local authorities and communities to help them to respond to local priorities, resulting in the better provision of public services and improvement of the local quality of life. The new local performance framework is focused on outcomes and delivery through improved partnership working, to encourage choice, influence and user involvement in the design of public services.

4. The new performance framework brings together national standards and priorities set by the Government with local priorities informed by the vision developed by local authorities and partners, through a set of national outcomes and a single set of national performance indicators. These indicators flow from the priorities identified in Public Service Agreements and the Government's Departmental Strategic Objectives announced in the Comprehensive Spending Review (CSR) for 2007, and cover the Government's priorities for delivery by local government working on its own or in partnership with other bodies. The outcomes measured and the indicators themselves provide a clear statement of Government's priorities for delivery by local government and its partners over the next three years, and will be the only indicators on which central government will be able to set performance targets for local government.

5. As the Scrutiny Panel is aware, the existing statutory requirement to collect outturn information on BVPIs is to cease at the end of 2007/08, and the new National Indicator (NI) set will be introduced from 1 April 2008. As a result, local authorities will need to put mechanisms and processes in place in order to calculate and collect a range of new performance information.

### **The New National Indicator Set**

6. Full details of the new NI set are attached as Appendix 1 to this report. The NIs cover services delivered both alone and in partnership, encouraging local authorities and their partners to work together to deliver improved outcomes. The indicators that measure outcomes which require joint-working by local partners also appear in the performance frameworks for each of those partners (e.g. the national indicators for community safety are also used in the assessment of policing and community safety). Performance targets for some of the NIs will be negotiated through new Local Area Agreements (LAA), and Local Strategic Partnerships (LSP) at the single tier or county council level will agree up to 35 targets from among the NIs with the Government, complemented by statutory targets on educational attainment, for inclusion in the new LAA. The new NIs are grouped into four themes:

- Stronger and Safer Communities;
- Children and Young People (the Council has no NIs under this theme);
- Adult Health and Wellbeing and Tackling Exclusion and Promoting Equality; and
- Local Economy and Environmental Sustainability.

7. The full NI set detailed in Appendix 1 indicates which of the new NIs apply to the Council with regard to collection and reporting responsibility (shaded grey), and also highlights those NIs which have not been collected before and are therefore entirely new. Several of the new NIs are proposed to be collected through bi-annual public consultation exercises ('Place Survey' indicators), replacing the existing three-yearly BVPI satisfaction surveys, that will need to be undertaken in liaison with the Epping Forest LSP.

8. There are a significant number of NIs which have not been set before and therefore have no evidence basis from which to collect information or base performance targets. The onus is on local authorities and their partners to find and use evidence to support negotiations on any targets for these new indicators. Although presently set at the district spatial level, some of the new indicators (shaded grey) are likely to be the responsibility of other bodies, but this has yet confirmed by DCLG.

## **Best Value/Local Performance Indicators - Action Required**

9. The introduction of the new NI set has provided an opportunity for a thorough review to be undertaken of the Council's current suite of statutory BVPIs and locally determined LPIs. All service directors have accordingly commenced a review of the current BVPI and LPI sets, with a view to the possible adoption of some existing BVPIs as LPIs from 2008/09 onwards, where these continue to reflect local priorities but have not been brought forward into the new NI set. As the Scrutiny Panel will be aware, a range of asset management related LPIs have recently been adopted as a result of recommendations made by the Audit Commission through the annual Use of Resources assessment.

10. It is possible that this exercise will result in some existing indicators being deleted as corporate performance measures, and where indicators are still considered to be useful, these being moved into the relevant Business Plans for 2008/09. The results of this BVPI/LPI indicator review and the adoption of a new suite of LPIs will be considered by the Cabinet at its meeting on 10 March 2007, and at an additional meeting of the Scrutiny Panel to be held before the end of the current municipal year. Any initial proposals of the Panel in respect of the continued monitoring of existing BVPIs and LPIs would be welcomed.

## **Comprehensive Area Assessment**

11. The new Local Performance Framework sets out the criteria for the Comprehensive Area Assessment (CAA). The CAA has four key components, one of which is performance against the NI set (others include judgements on performance and future prospects). The CAA will inform the annual review of LAAs led by the Government Offices, and it is therefore imperative to start the collection of the NI measurements from April 2008.

### **Reason for decision:**

12. To advise the Scrutiny Panel of revised statutory performance monitoring requirements and to enable members to contribute to the review of the current BVPI and LPI sets, with a view to the possible adoption of some existing BVPIs as LPIs for 2008/09 onwards.

### **Options considered and rejected:**

13. None. The Council is statutorily required to collect and report performance against relevant BVPIs and NIs.

### **Consultation undertaken:**

14. All directors are contributing to the review of the current BVPI and LPI sets. The new National Outcome and Indicator Set has been reviewed by the Corporate Executive Forum and Management Board, and will be considered by the Cabinet in March 2008.

### **Resource implications:**

**Budget/Personnel Provision:** The collation and reporting of performance information arising from the new NI set will be met from within existing Performance Management Unit resources

**Land:** Nil

**Council Plan/BVPP Reference:** Council Plan Section 8 – 'How We Measure Our Achievements'.

**Relevant Statutory Powers:** Local Government Act 1999

**Background Papers:** None

**Environmental/Human Rights Act/Crime and Disorder Act Implications:** Nil

**Key Decision Reference (if required):** None