

**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:** Key Performance Indicators 2007/08 – Quarterly Performance Monitoring

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**Recommendation:**

**That the Scrutiny Panel consider the Council's performance for the first nine months of 2007/08, in relation to those Key Performance Indicators adopted by the Cabinet that are monitored on a quarterly basis;**

**Report:**

**Background**

1. (Deputy Chief Executive) As the Scrutiny Panel will be aware, a range of forty-three Key Performance Indicators (KPIs) for 2007/08 was adopted by the Cabinet at its meeting on 16 July 2007. Details of the KPIs are set out at Appendix 1 to this report.
2. The KPIs are crucial to the Council's core business and its corporate priorities, and comprise a mixture of both current Best Value and Local Performance Indicators (BVPIs/LPIs). The aim of the KPIs is to focus improvement on key areas and to move performance against each indicator into the top quartile of performing local authorities (where appropriate) and to then maintain or improve further on that level of performance. In adopting the KPIs for 2007/08, the Cabinet set a target for at least 75% to achieve top quartile (or other appropriate target) performance by the end of the year.
3. Annual improvement plans are produced for each of the KPIs, setting out actions to be implemented in to achieve or maintain top quartile performance, and to reflect year on year changes. In view of the corporate importance attached to the KPIs, the improvement plans are considered and agreed by Management Board.
4. Progress in achieving top quartile performance in respect of the KPIs is reported to the Scrutiny Panel and the relevant Portfolio Holder at the conclusion of each quarter. Members have previously agreed however that little change is likely over each three month period for the following twelve indicators, and that performance in these areas be subject to detailed scrutiny at year-end only:

BVPI 2(b) (Race equality)

BVPI 11(a), 11(b), 11(c) (Equal opportunities monitoring)

BVPI 16(a) (Disabled employees)  
BVPI 17(a) (Ethnic minority employees)  
BVPI 63 (Energy efficiency of council dwellings)  
BVPI 106 (New homes on previously developed land)  
BVPI 156 (Disabled access to council buildings)  
BVPI 184(a), 184(b) (Decent Homes Standard)  
BVPI 199(d) (Local Environmental Cleanliness) (Fly-tipping)

5. At its meeting on 13 November 2007, the Scrutiny Panel adopted the following range of additional LPs in relation to the Council's asset management function, in response to recommendations arising from the annual Use of Resources assessment undertaken by the Audit Commission. The Commission has highlighted that these indicators should be used to evaluate asset use in relation to corporate objectives, and that they are monitored by members to embed this element of performance management:

AM PPI 1 Property condition (condition category and backlog maintenance);  
AM PPI 2 Internal rate of return from non-operational portfolio;  
AM PPI 3 Annual management costs (operational and non-operational properties);  
AM PPI 4 Running costs and carbon dioxide emissions;  
AM PPI 5 Cost and time predictability of capital projects;  
AM LPI 1 Rent arrears as a percentage of rental income;  
AM LPI 2 The occupation rate of commercial and industrial property; and  
AM LPI 3 Rental value as a percentage yield of the commercial and industrial portfolio asset value.

6. The Director of Corporate Support Services considers that performance against these asset management LPs would best be reported and monitored at year end, and they will therefore be reported to the next meeting of the Panel.

#### **KPI Performance 2007/08 – Quarters 1, 2 and 3 (1 April to 31 December 2007)**

7. Performance reports for each of the thirty-one KPIs that are monitored on a quarterly basis, for the period from 1 April to 31 December 2007, are attached as Appendix 2. The individual KPI performance reports incorporate the improvement actions arising from the development of the annual improvement plan for each indicator, where these have been considered and agreed by Management Board. Members will also note that the annual performance targets for several of the KPIs have also been divided into quarterly cumulative targets, to more accurately illustrate performance throughout the year.

8. The current position with regard to the achievement of the top quartile (or other relevant) targets set for the thirty-one quarterly monitored KPIs, is as follows:

- (a) 17 (54.8%) have so far achieved the overall performance target for 2007/08 or the respective cumulative nine-month target; and
- (b) 14 (45.2%) have not so far achieved the overall performance target for 2007/08 or the respective cumulative nine-month target.

9. In compiling the KPI performance reports, directors are required to indicate whether it is likely that the respective targets will be achieved for each indicator by the end of the year. Of the 14 (45.2%) of the quarterly monitored KPIs that have not so far achieved the overall performance target for 2007/08 or the respective cumulative nine-month target, all have been described by the relevant director as being uncertain or not likely to achieve the target.

10. The Scrutiny Panel is requested to consider the Council's performance for the first six months of 2007/08 in relation to the quarterly monitored KPIs. Responsible directors will be in attendance at the meeting to respond to any questions raised in respect of current

performance against specific indicators and targets. In accordance with previously agreed arrangements, performance reports for Quarters 1, 2 and 3 in respect of all other BVPIs and LPIs have been deposited in the Members' Room.

**Reason for Decision:**

11. To ensure that the Council monitors progress against its aim of achieving top quartile district council performance of 75% of its key performance indicators for 2007/08, and that proposals for corrective action are considered in respect of areas of current under-performance.

**Options Considered and Rejected:**

12. None. The Council has previously agreed arrangements for monitoring progress against the KPIs, BVPIs and LPIs.

**Consultation Undertaken:**

13. The performance information and improvement actions set out in this report have been compiled by each appropriate service director.

**Resource implications:**

**Budget/Personnel/Land:** The respective Director will identify the resource requirements for any proposals for corrective action in respect of KPI areas of current under-performance set out in this report.

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

**Relevant Statutory Powers:** None

**Background Papers:** None

**Environmental/Human Rights Act/Crime and Disorder Act Implications:** As set out in respective performance reports for individual KPIs.

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