

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

**Date of Meeting: 27 March 2008**



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

**Subject:** Review of Best Value and Local Performance Indicators

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**Recommendations:**

- (1) That proposals agreed by the Cabinet for the continued reporting and monitoring of appropriate existing Best Value and Local Performance Indicators, following the introduction of the new National Outcome and Indicator Set from April 2008, be noted; and
- (2) That the Scrutiny Panel note the concerns of the Corporate Executive Forum and Management Board in respect of the future collection and reporting of performance information in relation to National Indicator 14 (Avoidable Contact).

**Report:**

**Background**

1. (Deputy Chief Executive) At its meeting on 11 February 2007, the Scrutiny Panel received details of the new National Outcome and Indicator Set, and the national performance indicators (NIs) to be introduced from 1 April 2008. Members will recall that the NI set replaces all other existing suites of indicators including Best Value Performance Indicators (BVPIs) and Local Performance Indicators (LPIs), and this report sets out the results of a review recently undertaken of all existing BVPIs and LPIs, with regard to the possible retention of some of these existing performance measures as local indicators from 2008/09 onwards.
2. Subsequent to the introduction of the National Outcome and Indicator Set, it was important for local authorities to continue to use LPIs to reflect performance against local priorities. The introduction of the new NI set has therefore 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 undertaken 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 in a broadly similar form.
3. At its last meeting Scrutiny Panel also undertook an initial review of the Key Performance Indicators (KPIs) adopted for 2007/08, in terms of whether these priority

indicators should also be carried forward into a new LPI suite. The results of these reviews of existing performance indicators and proposals for the adoption of a new suite of LPIs are set out at Appendix 1 for the consideration of the Scrutiny Panel, with proposed new LPIs highlighted in grey shading. The review has resulted in the proposed deletion of several existing indicators, and the transfer of others to relevant business plans. In addition, a range of asset management related LPIs have also recently been adopted as a result of recommendations made by the Audit Commission through the annual Use of Resources assessment. These proposals were considered and agreed by the Cabinet at its meeting on 10 March 2008.

### **The National Indicator Set**

4. The new NI Set has recently been reviewed by the Corporate Executive Forum and Management Board, who have expressed specific concern in relation to NI 14 (Avoidable Contact). This new indicator seeks to measure the average number of customer contacts (telephone, email or in-person) for each resolved request, in order to manage failure demand resulting from customer contact that would be unnecessary if public authorities could:
  - get things right first time;
  - join-up parts of the public sector for the customer so that they do not need to make multiple contacts;
  - manage signposting and referral both within and across agencies; and,
  - set clear expectations at the outset so that the customer knows what to expect.
5. The Department for Communities and Local Government (DCLG) envisages that the primary way of collecting data for this indicator will be through the use of a Customer Relationship Management (CRM) system, that allocates single unique client reference numbers to service requests so that they, and the number of contacts individuals have with the authority, can be recorded. DCLG has indicated that, where local authorities have not invested in a CRM system, they will need to use a snapshot survey approach to review a random sample of service requests over a defined and agreed period. The Corporate Executive Forum and Management Board have expressed concern that local authorities such as the Council that do not currently have a CRM system will find the collection of data to report on this NI extremely difficult. It is additionally considered that, even with a CRM system, there would be problems in defining repeated versus different requests for the same customer. The periodic or annual survey approach suggested by DCLG is also considered to be fraught with difficulties, such as when would be the right time to conduct a survey to avoid it being unrepresentative due to seasonal factors.
6. As a result of concerns expressed by local authorities, the implementation of NI 14 has been deferred until October 2008. Further guidance on the indicator is to be issued by DCLG before the end of June 2008, and will also set out any refinements to the definition of the indicator (such as the wording of the services covered) in the light of lessons learned through piloting of the indicator over the next six months. A further report on these issues will be made to the Scrutiny Panel at such time as further guidance is available in relation to NI 14.

### **Reason for Decision**

7. 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 and LPIs as local performance measures from 2008/09 onwards.

### **Options Considered and Rejected**

8. None. The Council is encouraged to utilise LPIs as a process to monitor performance

against the achievement of local priorities and targets. Appropriate data collection systems and monitoring and reporting arrangements are already in place for each of the existing BVPIs and LPIs proposed to be adopted as local performance measures from 2008/09 onwards.

### **Consultation Undertaken**

9. All directors have contributed 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, Management Board, the Scrutiny Panel and the Cabinet. The Cabinet considered proposals for the continued reporting and monitoring of appropriate existing BVPIs and LPIs set out in this report, at its meeting on 10 March 2008. The Finance, Performance Management and Corporate Support Services Portfolio Holder has been consulted in relation to the content and recommendations of this report.

### **Resource implications:**

**Budget/Personnel Provision:** The collation and reporting of performance information arising from the new NI set and a new suite of LPIs will be met from within the existing Performance Management Unit budget. The introduction of a Customer Relationship Management system in order to most accurately comply with the requirements of NI 14 (Avoidable Contact) will require the identification of significant additional resources.

**Land:** Nil

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

**Relevant Statutory Powers:** ‘Strong and Prosperous Communities’ White Paper (2007)

**Background Papers:** None

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

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