

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



**Date of meeting: 22 April 2010**

**Portfolio:** Performance Management (Councillor R. Bassett)

**Subject:** Key Performance Indicators 2010/11

**Responsible Officer:** S. Tautz (01992 564180)

**Democratic Services Officer:** A. Hendry (01992 564246)

---

## **Recommendations/Decisions Required:**

- (1) That the Council's full suite of National and Local Performance Indicators for 2010/11, including provisional targets, be noted;**
- (2) That the Scrutiny Panel consider and agree:**
  - (a) the adoption of a range of 'Key' Performance Indicators for 2010/11; and**
  - (b) the adoption of a corporate target for the achievement of year-on-year improvement against the adopted Key Performance Indicators for 2010/11.**

## **Executive Summary:**

1. (Deputy Chief Executive) A range of Key Performance Indicators (KPIs) is adopted each year, which are regarded as crucial to the Council's core business and its corporate priorities. The aim of the KPIs is to focus improvement on key objectives and achieve comparable performance with that of the top performing local authorities (where appropriate), and to then maintain or improve further on that level of performance. Where possible, progress in achieving target performance in respect of the KPIs is reported to the Scrutiny Panel and the relevant Portfolio Holder at the conclusion of each quarter.
2. The Council has implemented arrangements for the alignment of its business, budget, and workforce planning and development processes into a clear framework to enable the authority to focus on priorities, improve performance and the way that performance is managed, and to improve communication and consultation on key priorities. As a consequence of these new arrangements, it is necessary to identify and adopt KPIs for 2010/11 without undue delay.

## **Reasons for Proposed Decision:**

3. To enable members to contribute to the review of the KPI suite for 2010/11, with a view to the adoption of relevant indicators and targets reflecting the Council's core business and community priorities.

## Other Options for Action:

4. The Council could decide not to adopt any KPIs for 2010/11, although this might mean that opportunities for improvement were lost. Failure to monitor and review performance, and to take corrective action where necessary, could have negative implications for the Council's reputation and for judgements made about the authority in the Comprehensive Area Assessment and similar corporate assessment processes.

## Report:

5. At its last meeting, the Scrutiny Panel gave initial consideration to the adoption of a suite of KPIs for 2010/11. At that time, members requested that the current suite of KPIs be reviewed in terms of relevance and priority, to ensure that the indicators were appropriately focused on the Council's key objectives and local community priorities. This report presents the results of further work in this respect.
6. Since the last meeting of the Scrutiny Panel, the Council has received notification from the Department for Communities and Local Government of the deletion of the following National Indicators (NI) which had been adopted as KPIs for 2009/10, with effect from 1 April 2010:

NI 14 Reducing avoidable contact
NI 170 Previously developed vacant land
NI 180 Housing/Council Tax Benefit – Changes of circumstance
NI 184 Food establishments broadly compliant with food hygiene law

7. Although there is no longer a statutory requirement to report performance against these indicators, it is considered that NI 14 (Avoidable Contact) has proved to be a useful tool for the identification of areas for service improvement over the last two years. Given that systems are already in place for the assessment of levels of avoidable contact across relevant service areas, the Corporate Executive Forum wishes to explore options for maintaining the spirit and purpose of NI 14 through the development of a replacement local performance indicator, and it is intended that a further report in this respect will be made to a future meeting of the Scrutiny Panel.
8. The schedule of individual indicators and targets previously considered by the Scrutiny Panel is attached as Appendix 1 to the report, but has been amended by the removal of the four deleted National Indicators referred to in paragraph 6 above (including NI 14 for the time being). This schedule will comprise the Council's full suite of National and Local Performance Indicators (LPI) for 2010/11, and excludes those indicators informed by the bi-annual 'Place Survey' or other survey measures (which are generally subject to separate reporting arrangements).
9. In order to ensure that the KPIs to be adopted for 2010/11 are appropriately focused on the Council's key objectives and local community priorities, a mapping exercise has been undertaken to demonstrate the linkages between each of the indicators set out in Appendix 1, with the Council's new Medium-Term Aims for 2010/11 to 2013/14, the authority's Key Priority Objectives for 2010/11, and the priorities identified in the emerging Sustainable Community Strategy for the district. The results of this mapping exercise for each indicator are attached as Appendix 2, to enable the Scrutiny Panel to further consider the adoption of KPIs for 2010/11.
10. The full indicator suite for 2010/11 has also recently been reviewed by the Performance Management Portfolio Holder, who has sought to identify a subset of priority indicators that could be monitored regularly by Portfolio Holders and the Scrutiny Panel, in order to give an indication of the progress that the Council is making in key areas. The Portfolio Holder's draft proposed KPI suite for 2010/11 is as follows:

<b>NATIONAL INDICATORS</b>	
1.	NI 154 Net additional homes provided
2.	NI 155 Affordable homes delivered (gross)
3.	NI 157(a) Processing of planning applications - 'Major' applications
4.	NI 158 Percentage of decent council homes
5.	NI 159 Supply of ready to develop housing sites
6.	NI 179 Value for money
7.	NI 181 Housing/Council Tax Benefit – Claims processing
8.	NI 191 Residual household waste per household
9.	NI 192 Household waste recycled and composted
10.	NI 195(a) Improved street and environmental cleanliness (Graffiti)
11.	NI 195(b) Improved street and environmental cleanliness (Litter)
<b>LOCAL PERFORMANCE INDICATORS</b>	
12.	LPI 4 Rent collection (Housing Revenue Account dwellings)
13.	LPI 5 Re-letting of council dwellings
14.	LPI 7 Emergency repairs (Housing Revenue Account dwellings)
15.	LPI 8 Urgent repairs (Housing Revenue Account dwellings)
16.	LPI 9 Urgent repairs (Housing Revenue Account dwellings)
17.	LPI 10 Satisfaction with repairs (Housing Revenue Account dwellings)
18.	LPI 13 Payment of invoices
19.	LPI 14 Council Tax collection
20.	LPI 15 National non-domestic rates collection
21.	LPI 16 Housing/Council Tax Benefit – Claims processing (Time)
22.	LPI 17 Housing/Council Tax Benefit – Changes of circumstance
23.	LPI 44 Milestones within Local Development Scheme
24.	LPI 50 Participation in physical activity programmes
25.	LPI 51 Complaints response (Enviro-Crime and Rapid Response)
26.	LPI 52(a) Recycling facilities (communal buildings) – Percentage surveyed
27.	LPI 52(b) Recycling facilities (communal buildings) – Percentage implemented
28.	LPI 53 Housing/Council Tax Benefit – Fraud investigation

11. The Scrutiny Panel is requested to consider the Portfolio Holder's proposals, as part of the determination of the KPI suite for 2010/11. The mapping exercise (Appendix 2) demonstrates the linkages between each of the indicators and relevant corporate and community priorities, and it is considered that the KPIs should comprise:
- (a) those NIs where the Council has sole responsibility for the indicator (i.e. where it is directly responsible for service provision and has collection and reporting responsibility), but not those NIs to which the Council contributes data but for which it has no reporting responsibility; and
  - (b) those LPIs that reflect local priorities, but which are not covered by the NI set.
12. In considering the adoption of a more concise KPI suite for 2010/11, members are reminded that for 2009/10, it was considered that greater focus needed to be placed on improving performance against the whole spectrum of performance indicators, rather

than against a 'basket' of selected indicators. All relevant National Indicators and a range of appropriate Local Performance Indicators were therefore designated as KPIs for 2009/10, and these now form the Council's full suite of National and Local Performance Indicators for 2010/11. If members are minded to adopt a smaller and more focused suite of KPIs for 2010/11, the Council will still be required to monitor and report its performance against those indicators that do not form part of the new KPI set. For those indicators, which would no longer be subject of regular reports to the Panel, performance reports would be deposited in the Members' Room each quarter and would be formally reported to the Scrutiny Panel and the Finance and Performance Management Cabinet Committee at year-end only.

13. The provisional targets for each existing National and Local Indicator for 2010/11, as proposed by each responsible service director on the basis of the third quarter (and estimated outturn) position for 2009/10, are also set out in Appendix 1 to this report. The proposed targets have been reviewed and endorsed by the Corporate Executive Forum (CEF). As in previous years, service directors will be required to develop improvement plans for all of the adopted KPIs for 2010/11, setting out actions to be implemented in order to achieve or maintain target performance, and to reflect year on year changes in service delivery. In view of the corporate importance attached to the KPIs, the improvement plans will be considered, agreed and monitored by CEF. Although it is not yet known whether the Council's target of achieving top-quartile performance for at least 80% of the KPIs for 2009/10 has been achieved, the Scrutiny Panel is also requested to consider and agree an overall KPI performance improvement target for 2010/11.
14. As part of the process of agreeing the KPI Improvement Plans for 2010/11, CEF will in due course also review the provisional targets for each KPI with reference to outturn data for 2009/10 when this is available. As in 2009/10, it is likely that some targets will be revised from the provisional targets currently identified.
15. The Scrutiny Panel is requested to consider and adopt an appropriate range of Key Performance Indicators for 2010/11, including provisional targets, and to agree an overall KPI performance improvement target for 2010/11. The targets provisionally identified for each indicator are based on third quarter performance for 2009/10 (April to December 2009), and a full outturn report for the indicators will be made to the next meeting.

#### **Resource Implications:**

The respective service director will identify the resource requirements for the adopted KPIs for 2010/11, as part of the required KPI Improvement Plan for the year.

#### **Legal and Governance Implications:**

There are no legal implications or Human Rights Act issues arising from the recommendations in this report, which ensure that the Council monitors progress against its KPIs, and that proposals for corrective action are considered in respect of areas of current under-performance.

#### **Safer, Cleaner and Greener Implications:**

The respective Service Director will have identified any implications arising from proposals for corrective action in respect of KPI areas of current under-performance set out in this report, in respect of the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative, or any Crime and Disorder issues within the district.

**Consultation Undertaken:**

The targets and performance information set out in this report have been submitted by each appropriate Service Director, and have been reviewed and considered by the Corporate Executive Forum. This report was made available to the Chairman of the Scrutiny Panel and the Performance Management Portfolio Holder in advance of the preparation of this agenda.

**Background Papers:**

None.

**Impact Assessments:*****Risk Management***

The respective service director will identify any risk management issues arising from proposals for improvement in respect of specific KPIs

***Equality and Diversity:***

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?

No. However, the respective Service Director will identify any risk management issues arising from proposals for improvement in respect of specific KPIs

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? N/A

What equality implications were identified through the Equality Impact Assessment process?  
N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group? N/A