

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

Date of Meeting: 9 December 2010



Portfolio: Performance Management (Councillor R. Bassett)

Subject: Key Performance Indicators 2010/11 – Quarter 2 Performance Monitoring

Officer contact for further information: S. Tautz (01992 564180)

Democratic Services Officer: A. Hendry (01992 564246)

Recommendations/Decisions Required:

That the Scrutiny Panel consider the Council's performance for the first six months of 2010/11, in relation to the Key Performance Indicators adopted for the year.

Executive Summary:

1. (Officer of the Deputy Chief Executive) Pursuant to the Local Government Act 1999, 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.
2. As part of the duty to secure continuous improvement, a range of Key Performance Indicators (KPI) relevant to the Council's activities and key objectives are adopted each year. Performance against the KPIs is monitored on a quarterly basis by Management Board and the Finance and Performance Management Scrutiny Panel, and has previously been an inspection theme in external judgements of the overall performance of the authority.

Reasons for Proposed Decision:

3. It is important that relevant performance management processes are in place to review and monitor performance against the Council's key objectives, to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of under performance.

Other Options for Action:

4. No other options are appropriate in this respect. Failure to monitor and review performance against key objectives and to take corrective action where necessary, could have negative implications for judgements made about the Council in corporate assessment processes, and might mean that opportunities for improvement were lost.

Report:

5. (Acting Chief Executive) As the Scrutiny Panel will be aware, a range of forty-eight Key Performance Indicators (KPIs) has been adopted for 2010/11. Summary details of the KPIs for the year are attached as Appendix 1 to this report.

6. The KPIs are important to the Council's business and its key objectives, and comprise a mixture of statutory National Indicators (NI) and Local Performance Indicators (LPI) (a number of which are former statutory Best Value Performance Indicators. 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.

7. Extensive guidance was issued by the Department for Communities and Local Government in 2008/09 in relation to individual NIs, and a copy of the full guidance document has previously been placed on deposit in the Members' Room.

8. Improvement plans are produced for all of the KPIs each year, 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 for 2010/11 were considered and agreed by the former Corporate Executive Forum (now replaced by Management Board), and are subject to ongoing review between the relevant Service Director and Portfolio Holder over the course of the year.

9. A number of the NIs introduced from April 2008 are designed to be reported annually at year-end only, or are subject to annual (or other frequency) performance reporting by external agencies. In addition, members have previously agreed that performance in relation to some of the KPIs also be subject to detailed scrutiny at year-end only, as little change is likely over each three month quarterly period. These indicators are identified in Appendix 1.

10. In adopting the KPIs for 2010/11, a corporate target was set for the achievement of improvement against 70.00% of the adopted indicators for the year. Progress in achieving target performance in respect of the majority of KPIs is reported to the Scrutiny Panel and the relevant Portfolio Holder at the conclusion of each quarter.

KPI Performance – 1 April to 30 September 2010

11. Performance reports for each of the thirty-one quarterly monitored KPIs for the period from 1 April to 30 September 2010 are attached as Appendix 2 to this report. Performance against National Indicator 195 is measured over three four-month periods (April-July, August-November and December-March) during the year, rather than quarterly, and results for the second period were not available at the time of the preparation of this report.

12. The six-month position with regard to the achievement of target performance for the KPIs for 2010/11 is as follows:

- (a) 21 (72.41%) have achieved the second quarter performance target for 2010/11;
- (b) 8 (27.59%) have not achieved the second quarter performance target for 2010/11; and
- (c) 2 (6.5%) cannot currently be reported (paragraph 7 above refers).

13. The improvement plans for each of the KPIs that did not achieve the first quarter performance target for 2010/11, were submitted to the last meeting of the Scrutiny Panel for consideration. One additional KPI has not achieved the second quarter performance target for 2010/11 (LPI 7 Emergency Repairs (Housing Revenue Account Dwellings)), and the improvement plan for this indicator is therefore attached as Appendix 3 to this report.

14. The Scrutiny Panel is requested to consider the Council's performance for the first six months of 2010/11, in relation to the quarterly monitored KPIs for the year. Service Directors will be in attendance at the meeting to respond to any issues in respect of current performance against specific indicators.

Other KPI Issues

15. The Department for Communities and Local Government has recently announced the cessation of the National Indicator set, and a report in this respect is included elsewhere in this agenda.

16. The Scrutiny Panel has previously requested that investigation be undertaken into the possibility of profiling performance targets for specific KPIs, according to anticipated performance patterns throughout the year. A report in this respect is also included elsewhere in this agenda.

Resource Implications:

The respective Service Director will identify the resource requirements for any proposals for corrective action in respect of areas of current KPI under-performance set out in this report.

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 aim of achieving target performance and improvement against 70% of its KPI for 2010/11, 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 areas of current KPI 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 Management Board. The individual KPI improvement plans for 2010/11 have also been considered and agreed by Management Board.

Background Papers:

First and second quarter KPI submissions held by the Performance Improvement Unit. KPI calculations and supporting documentation held by respective service directorates

Impact Assessments:

Risk Management

The respective Service Director will have identified any risk management issues arising from proposals for corrective action in respect of KPI areas of current KPI under-performance set out in this report

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 have identified any equality issues arising from proposals for corrective action in respect of areas of current KPI under-performance set out in this report

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