

Finance and Performance Management Scrutiny Panel

Date of Meeting: 20 November 2012



Portfolio: Finance and Technology

Subject: Key Performance Indicators 2012/13 - Quarter 2 Performance Monitoring

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Recommendations/Decisions Required:

That the Scrutiny Panel consider the Council's performance for the second quarter of 2012/13, in relation to the Key Performance Indicators adopted for the year.

Executive Summary:

1. 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 services and key objectives, are adopted each year. Performance against the majority of KPIs is monitored on a quarterly basis, and has previously been a focus of inspection in external assessments and judgements of the overall progress of the authority.

Reasons for Proposed Decision:

3. The KPIs provide an opportunity for the Council to focus attention on how specific areas for improvement will be addressed, and how opportunities will be exploited and better outcomes delivered.
4. A number of KPIs are used as performance measures for the Council's key objectives for each year. It is important that relevant performance management processes are in place to review and monitor performance against the key objectives, to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of slippage or under performance.

Other Options for Action:

5. No other options are appropriate in this respect. Failure to monitor and review KPI performance and to consider corrective action where necessary, could have negative implications for judgements made about the Council's progress, and might mean that opportunities for improvement are lost. The Council has previously agreed arrangements for monitoring performance against the KPIs.

Report:

6. A range of thirty-two Key Performance Indicators (KPI) for 2012/13 was adopted by the Finance and Performance Management Cabinet Committee in March 2012, and a target was set for at least 70% of the indicators to achieve target performance by the end of the year. Summary details of the KPI for the year are attached as Appendix 1 to this report.
7. The KPIs are important to the improvement of the Council's services and the achievement of its key objectives, and comprise a combination of former statutory indicators and locally determined performance measures. The aim of the KPIs is to direct improvement effort towards services and the national priorities and local challenges arising from the social, economic and environmental context of the district, that are the focus of the key objectives. Progress in respect of the majority (27) of the KPIs is reported to the Scrutiny Panel, Management Board and the relevant Portfolio Holder at the conclusion of each quarter. Performance in relation to the remaining KPIs is subject to scrutiny at year-end only, as little change in performance is likely over quarterly periods, or where performance is designed to be reported on an annual basis. These annually reported indicators are identified in Appendix 1.
8. Improvement plans are produced for each of the KPIs each year, setting out actions to be implemented in order to achieve target performance, and to reflect changes in service delivery. In view of the corporate importance attached to the KPIs, the improvement plans are considered and agreed by Management Board in the first instance, and are subject to ongoing review between the relevant service director and Portfolio Holder over the course of the year. The improvement plan for each KPI for 2012/13 was circulated to all members of the Scrutiny Panel with the first quarter KPI performance reports in September 2012.

Key Performance Indicators 2012/13 – Quarter 2 Performance

9. Performance reports for each of the quarterly monitored KPIs for the period from 1 April to 30 September 2012 are attached as Appendix 2 to this report. The six-month position with regard to the achievement of target performance for the KPIs for 2012/13, is as follows:
 - (a) 16 (59.26%) indicators achieved the second quarter performance target; and
 - (b) 11 (40.74%) indicators did not achieve the second quarter performance target.
10. In terms of the predication of year-end performance for the KPIs, service directors have suggested the following outturn position on the basis of second quarter performance:
 - (a) 16 (59.26%) indicators are anticipated to achieve the year-end performance target;
 - (b) 2 (7.41%) indicators are not anticipated to achieve the year-end performance target; and
 - (c) the achievement of the year-end performance target for 9 (33.33%) indicators is uncertain.
11. The Scrutiny Panel is requested to consider the Council's performance for the second quarter of 2012/13, in relation to the quarterly monitored KPIs for the year. Service directors will be in attendance or represented at the meeting, to respond to any issues in respect of current performance against specific indicators.

Resource Implications:

Resource requirements arising from specific actions to achieve target performance for the KPIs for 2012/13, or from proposals for corrective action in respect of areas of slippage or below-target performance in relation to individual indicators, will be identified by the responsible service director.

Legal and Governance Implications:

There are no legal implications or Human Rights Act issues arising from the recommendations of this report, which ensure that the Council reviews progress against the achievement of its KPIs. Implications arising from specific actions to achieve KPI target performance for 2012/13, or from proposals for corrective action in respect of areas of slippage or below-target performance in relation to individual indicators, will be identified by the responsible service director.

Safer, Cleaner and Greener Implications:

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the corporate Safer, Cleaner, Greener initiative, or any Crime and Disorder issues within the district. Implications arising from specific actions to achieve KPI target performance for 2012/13, or from proposals for corrective action in respect of areas of slippage or below-target performance in relation to individual indicators, will be identified by the responsible service director.

Consultation Undertaken:

Second quarter performance against the KPIs for 2012/13 has been submitted by the responsible service directors. This report has been considered by Management Board and was provided to the Chairman of the Scrutiny Panel in advance of the publication of this agenda.

Background Papers:

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

Impact Assessments:

Risk Management

Failure to review performance against the KPIs and to take corrective action where necessary, could have negative implications for the Council's reputation and for judgements made about the progress of the authority.

Risk management issues arising from specific actions to achieve target performance for the KPIs for 2012/13, or from proposals for corrective action in respect of areas of slippage or below-target performance in relation to individual indicators, will be identified by the responsible service director.

Equality:

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?

There are no equality issues arising from the recommendations of this report, which ensure that the Council reviews progress against the achievement of the KPIs for 2012/13. Equality issues arising from specific actions to achieve target performance for the KPIs, or from proposals for corrective action in respect of areas of slippage or below-target performance in relation to individual indicators, will be identified by the responsible service director.