

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

Date of Meeting: 15 July 2014



Portfolio: Governance & Development Management (Councillor J. Philip)

Subject: Key Performance Indicators 2013/14 - Outturn

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Recommendations/Decisions Required:

That the Scrutiny Panel:

- (1) review outturn performance in relation to the key performance indicators for 2013/14; and**
- (2) note reporting arrangements for the quarterly review of KPI performance for 2014/15 and future years.**

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 its approach to the continuous improvement duty, a range of Key Performance Indicators (KPI) relevant to the authority's services and key objectives are adopted each year. Performance against the KPIs is reviewed on a quarterly basis, and has previously been an inspection theme in external judgements of the Council's overall progress.

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 services and outcomes delivered.
4. A number of KPIs are used as performance measures for the authority's key objectives. It is important that relevant performance management processes are in place to review and monitor performance against key objectives and indicators, to ensure their continued achievability and relevance, and to identify and implement 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 review and monitor KPI performance and to identify corrective action where necessary could have negative implications for judgements made about the Council's progress, and might mean that opportunities for improvement were lost. The Council has previously agreed arrangements for reviewing and monitoring performance against the KPIs.

Report:

6. A range of thirty-five Key Performance Indicators (KPI) for 2013/14 was adopted by the Finance and Performance Management Cabinet Committee in March 2013. 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.
7. Three-monthly progress in respect all of the KPIs is reviewed by Management Board and (currently) the Finance and Performance Management Scrutiny Panel at the conclusion of each quarter, and service directors also review KPI performance with the relevant portfolio holder(s) on an on-going basis throughout the year. No indicators are subject to scrutiny at year-end only, as end of year reporting is not made until several months into the next year and does not therefore allow for corrective action to be identified or implemented during the year in question.
8. Improvement plans are produced for all of the KPIs each year, setting out specific actions to achieve target performance or outcomes. In view of the corporate importance of the KPIs, the improvement plans for 2013/14 are agreed by Management Board and are subject to ongoing review between the relevant service director and portfolio holder over the course of the year.

Outturn Performance 2013/14

9. The position with regard to the achievement of cumulative target performance for the KPIs at the end of the of the year, was as follows:
 - (a) 28 (80%) indicators achieved the cumulative target; and
 - (b) 7 (20%) indicators did not achieve the cumulative target, although 2 of these indicators performed within the agreed tolerance for the indicator.
10. A headline outturn performance summary and detailed performance report for each KPI is attached as Appendix 1 to this report. The 'amber' status category utilised in the KPI report identifies indicators that have missed the adopted target for the quarter, but where performance was within an agreed (+/-) tolerance or range. The KPI tolerances were agreed by Management Board when the targets for each KPI were set in February 2013, or were subsequently confirmed by the appropriate service director when the outturn position for 2012/13 was known.
11. The Scrutiny Panel is requested to review year-end performance in relation to the KPIs for 2013/14. This report was considered by the Cabinet Committee on 1 July 2014.

Quarterly Review 2014/15

12. As part of the overview and scrutiny review undertaken in 2013/14, changes have been made to the existing arrangements for the quarterly review of KPI performance.

13. From the first quarter of the year, the existing scrutiny panels (Finance and Performance Management, Housing, Planning, Safer, Greener, Cleaner) will in future each be responsible for the review of quarterly performance against specific KPIs, rather than all indicators being considered by the Finance and Performance Management Scrutiny Panel as at present.

Resource Implications:

Resource requirements for actions to achieve specific KPI performance for 2013/14 will have been identified by the responsible service director/chief officer and reflected in the budget for the year.

Legal and Governance Implications:

There are no legal or governance implications arising from the recommendations of this report. Relevant implications arising from actions to achieve specific KPI performance for 2013/14 will have been identified by the responsible service director/chief officer.

Safer, Cleaner, 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. Relevant implications arising from actions to achieve specific KPI performance for 2013/14 will have been identified by the responsible service director/chief officer.

Consultation Undertaken:

The performance information and proposed targets set out in this report have been submitted by each appropriate service director and have been considered and agreed by Management Board.

Background Papers:

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

Impact Assessments:

Risk Management

There are no risk management issues arising from the recommendations of this report. Relevant issues arising from actions to achieve specific KPI performance for 2013/14 will have been identified by the responsible service director/chief officer.

Equality:

There are no equality implications arising from the recommendations of this report. Relevant implications arising from actions to achieve specific KPI performance for 2013/14 will have been identified by the responsible service director/chief officer.