

Report to: Finance and Performance Management Scrutiny Panel

Date of meeting: 14 November 2006



Portfolio: Finance, Performance Management and Corporate Support Services

Subject: Key Performance Indicators 2006/07

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Committee Secretary: A. Hendry (Ext 4246)

Recommendations/Decisions Required:

- (1) That the Scrutiny Panel consider the Council's performance for the first six months of 2006/07, in relation to those Key Performance Indicators adopted by the Cabinet that are monitored on a quarterly basis;**
- (2) That in future, performance in relation to Best Value Performance Indicators BV63 (energy efficiency of council dwellings) and BV184 (decent homes) be monitored by the Scrutiny Panel at year-end only; and**
- (3) That, subject to the concurrence of the Cabinet, Best Value Performance Indicator BV164 (race equality in housing) be discontinued as a Key Performance Indicator from 2007/08.**

Report:

Background

1. (Head of Human Resources and Performance Management) As the Scrutiny Panel will be aware, a range of 52 Key Performance Indicators (KPIs) for 2006/07 was adopted by the Cabinet at it's meeting on 10 July 2006.
2. The KPIs are crucial to the Council's core business and its corporate priorities, and comprise a mixture of both Best Value and Local Performance Indicators. The aim of the indicators is to focus improvement actions on key areas and to move performance against each into the top quartile of performing local authorities (where appropriate) and to then maintain or improve further on that level of performance. Details of the KPIs for 2006/07 are set out at Appendix 1 to this report.
3. Progress in achieving top quartile performance in respect of the KPIs is reported to the Scrutiny Panel and the relevant Portfolio Holder at the conclusion of each quarter. Members have previously agreed however that little change is likely over each three month period for the following key indicators, and that performance in these areas be subject to detailed scrutiny at year-end only:

BVPI 2b (race equality)

BVPI 11a, 11b, 11c (staff gender, ethnicity and disability)

BVPI 14 (early retirements)
BVPI 16a (disabled employees)
BVPI 17a (ethnic minority employees)
BVPI 106 (new homes on developed land)
BVPI 164 (race equality in housing)
BVPI 156 (disabled access)
BVPI 199d (fly-tipping)

4. Since the adoption of the KPIs for 2005/06, it has become apparent that a further three housing related indicators cannot properly reflect performance when monitored on a quarterly basis. Of these three indicators, BV184a illustrates the proportion of council properties that were decent at the start of the year and is the base figure used to calculate BV184b (the percentage change at the end of the year) and does not therefore change during the year. BV184b and BV63 relate to decent homes improvement and energy efficiency works that are carried out on contracts, and for which accurate figures can only be given at the end of the year when invoices are issued to the council. In the past the Head of Housing Services has attempted to indicate whether works are 'on target' for the purpose of performance monitoring, although no evidence exists to justify this, as quarterly returns are not required from contractors. In the circumstances it is recommended that in future performance against these indicators also be subject to detailed scrutiny at year-end only.
5. It is also considered that BV164, which measures race equality in housing service provision, is not sufficiently important towards meeting the council's corporate objectives to justify it continuing to be a KPI. Performance against this particular indicator is currently reported to the Scrutiny Panel at year-end only, but it is recommended that it be discontinued as a KPI from 2007/08. Management Board supports the deletion of BV164 as a KPI and the panel is requested to report to the cabinet accordingly.

Current Performance (Quarters 1 and 2)

6. Performance reports for each of the KPIs that are monitored on a quarterly basis for the period from 1 April to 30 September 2006 are attached as Appendix 1 to this report, including BVPIs 63, 184a and 184b referred to in paragraph 4 above. These reports incorporate additional detail and a number of presentation amendments to address concerns raised by members at the last meeting. Specifically:
 - Additional information regarding the purpose of the indicator has been added;
 - A fifth row has been added to the chart and table, so that comparison can always be made between performance for the current quarter and the same period in the previous year;
 - A cross or tick symbol has been added to indicate whether targets have been achieved, in place of coloured traffic lights that do not reproduce well when printed in black and white;
 - Individual quarters are now listed down the page in the same order in both the chart and table;
 - A 'direction of improving performance' arrow has been added to indicate for each KPI whether good performance is a high or low figure; and
 - An indication has been added to reflect whether performance is reported on a cumulative basis.
7. The Scrutiny Panel is requested to consider the Council's performance for the first six months of 2006/07 in relation to the KPIs. The Head of Environmental Services had not been able to provide current performance information for a number of the waste management and other environmental indicators at the time of the preparation of this agenda, and will report accordingly at the meeting.

8. Heads of Service will be in attendance at the meeting to respond to any questions raised in respect of the indicators and performance thereon. Performance reports in respect of all other Best Value and Local Performance Indicators will be placed in the Members' Room in due course.

Reason for decision:

9. To ensure that the Council monitors progress against its aim of achieving top quartile district council performance of 50% of its key performance indicators for 2006/07, and that proposals for corrective action are considered in respect of areas of current under-performance.

Options considered and rejected:

10. None. The Council has previously agreed arrangements for monitoring progress against the key performance indicators.

Consultation undertaken:

11. The performance data and proposals for corrective action compiled in this report have been submitted by each appropriate Head of Service. Consultation on the format, content and layout of the performance reports has been undertaken with the Chairman of the Scrutiny Panel and the Finance and Performance Management Portfolio Holder.

Resource implications:

Budget/Personnel/Land: The respective Head of Service will identify the resource requirements for any proposals for corrective action in respect of KPI areas of current under-performance set out in this report.

Council Plan/BVPP reference: Council Plan Section 8 – 'How we Measure Our Achievements'.

Relevant statutory powers: None

Background papers: None

Environmental/Human Rights Act/Crime and Disorder Act Implications: As set out in respective performance reports for individual KPIs.

Key Decision reference: (if required) None