

Report to: Finance and Performance Management Scrutiny Panel

Date of Meeting: 19 June 2007



Portfolio: Finance, Performance Management and Corporate Support Services

Subject: Key Performance Indicators 2006/07 and 2007/08

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Recommendations:

- (1) That the Council's performance in relation to Best Value Performance Indicators (BVPIs) and Local Performance Indicators (LPIs) for 2006/07, be noted;**
- (2) That subject to the concurrence of the Cabinet:**
 - (a) the Council's Key Performance Indicators (KPIs) for 2006/07 be readopted for 2007/08, with the exception of BVPI 164 (Race Equality in Housing), BVPI 183(a) (Length of stay in Bed and Breakfast accommodation) and LPI CEM1 (Penalty Charge Notices for Car Parking); and**
 - (b) a target be set for at least 75% of the KPIs to achieve top quartile (or other appropriate target) performance for 2007/08;**
- (3) That, subject to recommendation (2)(a) above, the Scrutiny Panel identify any additional BVPIs or LPIs to be recommended to the Cabinet for adoption as KPIs for 2007/08; and**
- (4) That the Scrutiny Panel consider the Council's current rate of progress in securing performance improvement, and identify options for achieving increased improvement across the range of services and functions measured by the current BVPI suite, and recommend to the Cabinet accordingly.**

Report:

Background

1. (Head of Human Resources and Performance Management) A range of 52 Key Performance Indicators (KPIs) for 2006/07 was adopted by the Cabinet at its meeting on 10 July 2006. 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 (BVPIs/LPIs). The aim of the indicators is to focus improvement actions on key areas and to move performance against each into the top quartile (the performance levels of the top 25% of local

authorities against each indicator) of local authorities where appropriate, and to then maintain or improve further on that level of performance.

2. Targets for each KPI have traditionally been based on the most recently available national performance information published by the Audit Commission. In the case of the KPIs for 2006/07, targets were based on audited national performance information for 2004/05 that had been published by the Commission in February 2006. The setting of KPI targets on this basis results in current performance being measured against two year old quartiles and, whilst providing challenging targets for achievement, the Audit Commission's assessment of the Council's performance will always measure it against the performance of other local authorities in the same year. On the adoption of the KPIs for 2006/07, the Cabinet set a target that at least 50% should achieve top quartile status by the end of the year.

3. Annual improvement plans are produced for each of the KPIs to reflect year on year changes, which also contain details of service costs and feed into the Council's annual value for money analysis. Progress in achieving top quartile performance in respect of the KPIs is reported to the Finance and Performance Management Scrutiny Panel and the relevant Portfolio Holder at the conclusion of each quarter. Details of performance against all BVPIs and LPIs (including the KPIs) are also deposited in the Members' Room at the end of each quarter.

Key Performance Indicators 2006/07

4. A schedule detailing the performance against BVPIs and LPIs (including those indicators also designated as KPIs), for the period from 1 April 2006 to 31 March 2007, is attached as Appendix 1 to this report. Members are asked to note that performance targets have not been set for any of the KPIs relating to the issue of Penalty Charge Notices for on-street and off-street car parking (LPI CEM1 (a)-(g)), as local authorities are encouraged not to set targets for the issue of Penalty Charge Notices.

5. The Scrutiny Panel is requested to consider the Council's performance for 2006/07 in relation to the BVPIs and LPIs. Appendix 1 illustrates performance for each indicator in red shading where targets were not achieved and in green shading where were targets met. Additionally, the schedule also highlights in amber shading, those indicators where, whilst targets were not met for the year, outturn performance fell within 5% of the respective target.

6. The overall year-end position with regard to the achievement of top quartile (or other relevant) targets set for 44 of the KPIs (excluding the 7 indicators comprising LPI CEM1 for which performance cannot be measured against targets, and BVPI 184(a) (Non-decent dwellings) that reflects a base-line position brought forward from the preceding year) is as follows:

- (a) 23 (52%) achieved the performance target for 2006/07;
- (b) 6 (14%) did not achieve the performance target for 2006/07, although outturn performance was within 5% of the target for the year; and
- (c) 15 (34%) did not achieve the performance target for 2006/07 and outturn performance was not within 5% of the target for the year.

7. The Scrutiny Panel is requested to note the Council's performance in relation to its KPIs for 2006/07. Relevant Heads of Service will be in attendance at the meeting to respond members' questions in respect of current performance against specific indicators and targets.

Key Performance Indicators 2007/08

8. Management Board has recently considered outturn performance against the KPIs for 2006/07, and recommends that LPI CEM1, which measures various issues relating to the issue of Penalty Charge Notices (PCNs) for on and off-street car parking, should be deleted

as a KPI and LPI for 2007/08 and future years. Although this indicator was adopted at the request of the Scrutiny Panel, local authorities are encouraged not to set targets for the issue of PCNs, and it is considered that the indicator therefore serves little purpose other than to establish trends in relation to car parking. Subject to the agreement of the deletion of this indicator, the Head of Environmental Services will ensure that the information previously collected by the indicator is made available to members on a regular basis, possibly through a quarterly report in the Council Bulletin.

9. In addition, the Department for Communities and Local Government has recently advised local authorities that the following BVPIs have been deleted with effect from April 2007:

- BVPI 17(b) - Economically active population from ethnic minority communities;
- BVPI 76(a) - Housing Benefit claimants visited per 1,000 caseload;
- BVPI 164 - Access to social housing;
- BVPI 183(a) - Length of stay in temporary accommodation (Bed and Breakfast);
- BVPI 203 - Change in number of families in temporary accommodation;
- BVPI 214 - Repeat homelessness;
- BVPI 219(a) and (c) - Conservation Areas with published management proposals;
and
- BVPI 200(c) - Plan making.

10. BVPI 164, which measures race equality in the provision of housing services, and BVPI 183(a) which measures the length of stay in bed and breakfast accommodation, are the only current KPIs amongst these deletions, although the Cabinet had already previously agreed that BVPI 164 be deleted as a KPI from 2007/08. With the exception of these indicators and LPI CEM1 (Car Parking), it is recommended that the existing KPI set be readopted for 2007/08. The Scrutiny Panel is however also requested to identify any additional Best Value or Local Performance Indicators that it wishes to recommend to the Cabinet for adoption as KPIs for 2007/08.

11. As the Council's target of achieving top-quartile status (based on outturns for 2004/05) for at least 50% of the KPIs has been achieved for 2006/07, assessment of the Council's performance should look for further improvement in 2007/08 and beyond. Management Board has considered the Council's performance against the KPIs for the year, and recommends that a target be set for at least 75% of the KPIs to achieve top quartile (or other appropriate target) performance for 2007/08.

12. Notwithstanding the achievement of performance targets for 52% of the KPIs for 2006/07, members are reminded that the Audit Commission has previously reported that the Council's current rate of performance improvement is slower than that of comparable local authorities. In order to address the concerns of the Commission in this respect, Management Board considers that the Scrutiny Panel and the Cabinet should consider the Council's current rate of progress in securing performance improvement, and identify options for achieving increased improvement across the range of services and functions measured by the current BVPI suite, whilst recognising that the provision of additional targeted resources will be likely to be necessary to focus on sustaining improvement in specific areas.

13. The views of the Scrutiny Panel in respect of the adoption of KPIs for 2007/08 and options for securing further BVPI improvement will be reported to the Cabinet at its meeting on 16 July 2007.

Reason for Decision:

14. 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:

15. None. The Council has previously agreed arrangements for monitoring progress against the achievement of targets set for the Key Performance Indicators and other BVPIs and LPIs.

Consultation Undertaken:

16. The performance information compiled in this report has been submitted by each appropriate Head of Service. Outturn performance for 2006/07 and proposals for the adoption of KPIs for 2007/08 have been considered by Management Board and will be considered by the Cabinet at its meeting on 16 July 2007.

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 2006-2010 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