

<b>Council Meeting</b>		<b>Agenda Item: x</b>
<b>Meeting Date</b>	15 May 2013	
<b>Report Title</b>	<b>Corporate performance indicators 2013/14 to 2015/16</b>	
<b>Portfolio Holder</b>	Cllr Wilcox, Portfolio Holder for Performance	
<b>SMT Lead</b>	Abdool Kara, Chief Executive	
<b>Head of Service</b>	Louise Matthews, Corporate Strategy and Communications	
<b>Lead Officer</b>	David Clifford, Policy and Performance Manager	
To which corporate plan priority does this item relate?	Embracing Localism	<b>Yes</b>
	Open for Business	<b>Yes</b>
	Healthy Environment	<b>Yes</b>
What outcome is expected from this item?	Information only	No
	Discussion only	No
	Decision	<b>Yes</b>
Recommendations	<p><b>R1:</b> That Council <b><i>adopts</i></b> the new set of corporate performance indicators and associated three-year targets detailed in Appendix I (§3.11).</p> <p><b>R2:</b> That Council <b><i>gives delegated authority</i></b> to the Chief Executive, in consultation with the Portfolio Holder for Performance, to amend performance indicators and targets in-year should this become necessary (§3.12).</p>	

## 1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 This report proposes a new set of corporate performance indicators to support the strategic management of the council and the priorities set out in the corporate plan 2012-2015. As quantitative measures, these indicators are intended both to gauge progress towards achieving the corporate plan, and to provide an overarching sense of organisational health.
- 1.2 With the overall aim of producing an indicator set which is broadly balanced in its representation of those areas of activity that lend themselves to quantitative monitoring, the principal criteria for inclusion or exclusion of indicators have been:
- strategic fit with the corporate plan;
  - frequency of data availability sufficient to enable active performance management; and
  - comparability, both through benchmarking across the wider local government sector, and 'longitudinally' with past SBC performance.

## **2. BACKGROUND**

- 2.1 The ability to manage performance at both strategic and operational levels is fundamental to any effective and successful organisation, whether in the public or private sector. As many of Swale's more transactional services are dependent on quantitative measures for ongoing assessment of their efficiency and effectiveness, it is to be expected that a limited number of the most representative of these will be monitored by the strategic leadership as 'corporate' indicators.
- 2.2 In order to manage its performance more rigorously, the council introduced a monthly monitoring regime in 2008, and in recent years has also produced a quarterly set of more comprehensive 'balanced scorecard' reports focused on individual portfolios. The corporate indicator set, the current version of which is drawn from successive national performance regimes, is fundamental to both of these performance management mechanisms.

## **3. PROPOSAL**

### **Updating Swale's corporate indicators**

- 3.1 In 2012 the council adopted a new corporate plan, setting out the strategic direction to 2015. This has represented an opportunity to review and update the council's corporate indicator set. In developing an updated set of indicators, four broad criteria have been applied:
- indicators should as far as possible relate directly to the corporate plan;
  - taken as a whole, the indicator set should provide a broad overview of the state of the entire organisation;
  - to facilitate in-year performance management, outturns for indicators should be available at least quarterly; and
  - as far as possible, indicators should be amenable both to 'longitudinal' comparison with past Swale performance, and to benchmarking with other authorities and relevant organisations.

### **Strategic fit and overall balance**

- 3.2 In developing the new indicator set, it has been recognised that management through quantitative analysis is more appropriate for some service areas than for others. However, the set has been developed with a view to ensuring that, taken as a whole, it provides a broadly balanced and holistic overview of the entire organisation's performance, albeit with some notable gaps for those service areas, such as those classed as regeneration, for which robust project management is more appropriate.

- 3.3 In addition, and as far as is possible, representation of a given service area in terms of the number of its indicators within the proposed set is approximately correlated with the size and strategic significance of that service.

### **Reporting frequency**

- 3.4 Within the current set of 95 corporate indicators, only 28 can be calculated on a monthly basis, with the remainder unmanageable because they are annual indicators and cannot be calculated more frequently. Wherever targets have been set for annual indicators, it has invariably been the case that a considerably lower proportion of these targets are achieved than those for indicators calculated more frequently, because of the difficulty of actively managing their performance during the year.
- 3.5 With this in mind, there is wide support for the principle of restricting the new indicator set to measures for which outturns can be calculated at least quarterly, and on which in-year corrective action on underperforming indicators is therefore possible. This does not mean that established annual indicators will be ignored: many of them remain important markers of progress, and we will continue to work on approaches that will increase our performance against them. However, they will not be actively managed as part of routine corporate performance reporting.

### **Comparability**

- 3.6 A key consideration in developing the new indicator set has been to make as few changes as possible in order to retain 'longitudinal' comparability – i.e. the ability to track variation over time and compare present with past performance. In addition, wherever possible, indicators have been selected on which performance can be benchmarked against other authorities, using either LG Inform, the CIPFA 'nearest neighbours' model or smaller, service-specific benchmarking groups.

### **The new indicator set**

- 3.7 The proposed new set of 42 corporate indicators is detailed in Appendix I, sorted by portfolio for ease of reference. In addition to those measuring progress towards the three corporate priorities, a number of indicators have been retained which provide a sense of overall 'corporate health' and help to ensure that the set is reasonably balanced across service areas.

### **Three-year targets**

- 3.8 Appendix I also provides three-year targets for each indicator, which have been developed by heads of service in consultation with portfolio holders and following policy team guidance. The targets for the first year are intended as 'hard' targets which, following adoption by Council, will be fixed for the year (but refer to recommendation R2), while those for the second and third years are intended as 'soft' targets, which will need to be confirmed at the start of each of those years.

- 3.9 Where comparisons with other councils are possible, these targets are colour-coded to show the position within the latest available national or other comparator dataset which Swale would achieve by meeting the target. In other words, the colour coding shows whether Swale would be among the best or worst of the councils in the comparison group, were the target to be met. (Green = Swale would be among the best 25% of councils; blue = best 50%; amber = worst 50%; red = worst 25%.)
- 3.10 The council's previous 'default' requirement of achieving national best-quartile performance within three years has been adjusted, with heads of service now expected either to maintain best-quartile performance where this is already being achieved, or to establish targets aimed at realistic improvement within current and anticipated budgets. Appendix I provides only one year of targets for indicators relating to housing and council tax benefits, as responsibility for these functions is due to transfer to the Department for Work and Pensions from 2014.
- 3.11 Council is **recommended** to adopt the corporate indicator set and associated 'hard' and 'soft' three-year targets detailed in Appendix I.
- 3.12 Due to unforeseeable changes in either the external or internal environment, on occasion it may be necessary to amend indicators and targets during the course of the year. Council is therefore **recommended** to give delegated authority to the Chief Executive, in consultation with the Portfolio Holder for Performance, to amend indicators and targets in-year should this become necessary.

#### List of recommendations

**R1:** That Council **adopts** the new set of corporate performance indicators and associated three-year targets detailed in Appendix I (§3.11).

**R2:** That Council **gives delegated authority** to the Chief Executive, in consultation with the Portfolio Holder for Performance, to amend performance indicators and targets in-year should this become necessary (§3.12).

#### 4. ALTERNATIVE OPTIONS

- 4.1 One option would be to retain the current corporate indicator set. However, this was primarily developed to support the achievement of the previous corporate plan, and due to its predominance of infrequently calculable indicators and the reduced ability to benchmark data with other local authorities, its usefulness to SBC is more limited than the new set.
- 4.2 A further option would be to dispense with corporate performance indicators altogether, but there are a number of major disadvantages to this, including a reduction in corporate self-awareness and a likely deterioration in overall service delivery. The lack of a corporate performance regime would be a significant hindrance to the effective functioning of the political and managerial leadership.

## 5. CONSULTATION UNDERTAKEN OR PROPOSED

- 5.1 SMT members, heads of service and, through them, portfolio holders have been closely consulted in preparing this report. The report has also been circulated to Scrutiny members for comment.

## 6. IMPLICATIONS

Corporate Plan Implications	Without putting in place appropriate performance management arrangements the council may not be able to demonstrate how it achieves the corporate plan and its priorities. Performance indicators will therefore serve as quantitative measures to monitor progress and demonstrate the contribution made by service areas.
Financial, Resource and Property Implications	The targets in Appendix I have been developed by heads of service and portfolio holders to reflect both the medium-term financial strategy and known and anticipated service budgets. In combination with cost information, the transactional nature of performance indicators means that they also lend themselves to measuring efficiency and value for money.
Legal and Statutory Implications	The council continues to have a statutory duty to report certain performance data to central government and its departments. In addition, as part of the emerging transparency agenda, there is a requirement to make performance information available to the community. Swale publishes regular monthly performance reports on its website at <a href="http://www.swale.gov.uk/monthly-performance-monitoring/">http://www.swale.gov.uk/monthly-performance-monitoring/</a> .
Crime and Disorder Implications	There are no direct crime and disorder implications. However, crime and disorder measures feature in the proposed set of indicators.
Risk Management and Health and Safety Implications	Not managing performance appropriately may result in the council not achieving its priorities, resulting in risk to its reputation. The failure to develop and implement a corporate performance regime at all would be a significant hindrance to the effective functioning of the political and managerial leadership.
Equality and Diversity Implications	There are no direct equality and diversity implications. A community impact assessment is not required.
Sustainability Implications	There are no direct sustainability implications.

## **7. APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix I: New corporate indicator set and associated three-year targets.

## **8. BACKGROUND PAPERS**

- Corporate plan 2012-2015.
- Corporate plan 2009-2012.
- Monthly SMT performance reports.
- Quarterly portfolio balanced scorecards.
- Data quality standard.

Reference	Description	Head of service	Portfolio	Priority	Unit	Frequency	It's better to be...	Target 2013/14	Target 2014/15	Target 2015/16	Swale avg over past three years	Comparison group: best quartile	Comparison group: median	Comparison group: worst quartile	Comparison source
CSP/001	All crime per 1,000 population	Economy and Community	Community Safety and Health	Embracing Localism	Number	Quarterly	Low	TBC	TBC	TBC	NA	NA	NA	NA	NA
LI/CSC/005	Proportion of complaints responded to in 10 working days	Commissioning	Council Leader	Corporate Health	%	Quarterly	High	85.0	87.5	90.0	80.0	NA	NA	NA	NA
LI/CSC/006	Proportion of complaints escalating from Stage 1 (service unit) to Stage 2 (chief executive)	Commissioning	Council Leader	Corporate Health	%	Quarterly	Low	5	4	3	4	NA	NA	NA	NA
LI/CSC/002	Proportion of abandoned calls	Commissioning	Council Leader	Corporate Health	%	Monthly	Low	5	5	5	6	NA	NA	NA	NA
LI/CSC/004	Proportion of calls answered in 20 seconds	Commissioning	Council Leader	Corporate Health	%	Monthly	High	83	83	83	83	NA	NA	NA	NA
NI 14	Avoidable contact within the CSC: the proportion of customer contact that is of low or no value to the customer	Commissioning	Council Leader	Corporate Health	%	Monthly	Low	5	5	5	3	13	21	29	Audit Commission (All England 2008/09)
LI/ICT/006	Website availability	ICT	Council Leader	Corporate Health	%	Quarterly	High	TBC	TBC	TBC	99.15	NA	NA	NA	NA
LI/ICT018	Website league table	ICT	Council Leader	Corporate Health	%	Quarterly	High	85	85	85	85	75	20	25	Sitemorse
NI 195i	Improved street and environmental cleanliness (levels of litter)	Commissioning	Environment	Healthy Environment	%	Quarterly	Low	3	3	3	3	3	5	7	CIPFA VFM Toolkit (Dec 2012)
NI 195ii	Improved street and environmental cleanliness (levels of detritus)	Commissioning	Environment	Healthy Environment	%	Quarterly	Low	7	7	6	5	6	10	15	CIPFA VFM Toolkit (Dec 2012)
NI 195iii	Improved street and environmental cleanliness (levels of graffiti)	Commissioning	Environment	Healthy Environment	%	Quarterly	Low	1	1	0	1	0	2	3	CIPFA VFM Toolkit (Dec 2012)
NI 195iv	Improved street and environmental cleanliness (levels of fly-posting)	Commissioning	Environment	Healthy Environment	%	Quarterly	Low	0	0	0	0	0	0	1	CIPFA VFM Toolkit (Dec 2012)
LI/TBC	Missed bin collections	Commissioning	Environment	Healthy Environment	Number per annum	Monthly	Low	270	270	270	NA	NA	NA	NA	NA
CLG082-01	Residual household waste	Commissioning	Environment	Healthy Environment	kg	Quarterly	Low	558	530	500	567	435	502	565	CIPFA VFM Toolkit (Dec 2012)
CLG082-02	Proportion of household waste sent for reuse, recycling and composting	Commissioning	Environment	Healthy Environment	%	Monthly	High	32	38	44	32	49	43	36	CIPFA VFM Toolkit (Dec 2012)
CLG067-01	Planning to adapt to climate change	Corporate Strategy and Communications	Environment	Healthy Environment	Level	Quarterly	High	2	2	3	2	1	0	0	Audit Commission (All England 2008/09)
CLG079	Improved street and environmental cleanliness (fly-tipping)	Service Delivery	Environment	Healthy Environment	Number	Monthly	High	2	2	2	NA	NA	NA	NA	NA

Reference	Description	Head of service	Portfolio	Priority	Unit	Frequency	It's better to be...	Target 2013/14	Target 2014/15	Target 2015/16	Swale avg over past three years	Comparison group: best quartile	Comparison group: median	Comparison group: worst quartile	Comparison source
BV218a	Proportion of new reports of abandoned vehicles investigated within 24 hours of notification	Service Delivery	Environment	Healthy Environment	%	Monthly	High	99.75	99.75	99.75	100.00	99.70	96.00	87.90	Audit Commission (All England 2007/08)
LI/TBC	Parking penalty charge notice recovery rate	Service Delivery	Environment	Healthy Environment	%	Monthly	High	68	69	70	68	NA	NA	NA	NA
LI/IA/001	Achievement of annual audit plan	Audit Partnership	Finance	Corporate Health	%	Quarterly	High	90	90	90	NA	NA	NA	NA	NA
BV 8	Proportion of invoices for commercial goods and services paid within 30 days of receipt or within agreed terms	Finance	Finance	Corporate Health	%	Monthly	High	97	97	97	98	97	96	94	Audit Commission (All England 2007/08)
CLG043-01	Proportion of council tax collected in the year	Service Delivery	Finance	Corporate Health	%	Monthly	High	97.20	97.25	97.75	94.93	98.40	97.74	96.60	CIPFA VFM Toolkit (Dec 2012)
CLG043-02	Proportion of non-domestic rates collected	Service Delivery	Finance	Corporate Health	%	Monthly	High	97.30	97.67	98.00	97.17	99.15	98.31	97.67	CIPFA VFM Toolkit (Dec 2012)
CLG146x	Speed of processing new housing benefit/council tax benefit claims	Service Delivery	Finance	Corporate Health	Days	Monthly	Low	21.3	Responsibility for this function will transfer to DWP from 2014/15.		17.0	21.3	24.5	28.0	2007/08 Quartiles
CLG146x	Speed of processing changes in circumstances for housing benefit/council tax benefit claims	Service Delivery	Finance	Corporate Health	Days	Monthly	Low	8	Responsibility for this function will transfer to DWP from 2014/15.		6	6	8	10	CIPFA VFM Toolkit (Dec 2012)
CLG147	Proportion of recoverable benefit overpayments recovered during the period	Service Delivery	Finance	Corporate Health	%	Monthly	High	76	Responsibility for this function will transfer to DWP from 2014/15.		76	NA	NA	NA	NA
CLG009-01	Number of households living in temporary accommodation	Housing	Housing	Open for Business	Number	Monthly	Low	75	70	65	61	13	30	78	Audit Commission (All England 2008/09)
CLG002-01	Number of affordable homes delivered (gross)	Housing	Housing	Open for Business	Number	Quarterly	High	50	55	60	140	225	110	50	Audit Commission (All England 2008/09)
LI/HS/001	Number of long-term empty homes brought back into use	Housing	Housing	Healthy Environment	Number	Quarterly	High	50	60	70	NA	NA	NA	NA	NA
BV 12a	All sickness absence	Human Resources	Performance	Corporate Health	Days	Monthly	Low	7.50	7.28	7.00	7.76	8.40	9.30	10.60	Audit Commission (2007/08)
BV 12b	Short-term sickness absence	Human Resources	Performance	Corporate Health	Days	Monthly	Low	3.45	3.45	3.45	NA	NA	NA	NA	NA
CLG021-01a	Proportion of major planning applications determined within 13 weeks	Planning	Planning	Healthy Environment	%	Monthly	High	75.0	77.5	80.0	74.6	80.0	63.0	50.0	CLG (PSF Return) April-June 2012
CLG021-01a	Proportion of minor planning applications determined within eight weeks	Planning	Planning	Healthy Environment	%	Monthly	High	78	80	82	81	82	71	60	CLG (PSF Return) April-June 2012
CLG021-01c	Proportion of other planning applications determined within eight weeks	Planning	Planning	Healthy Environment	%	Monthly	High	93	93	93	93	91	84	76	CLG (PSF Return) April-June 2012



Reference	Description	Head of service	Portfolio	Priority	Unit	Frequency	It's better to be...	Target 2013/14	Target 2014/15	Target 2015/16	Swale avg over past three years	Comparison group: best quartile	Comparison group: median	Comparison group: worst quartile	Comparison source										
CLG021-11	Proportion of planning decisions delegated to officers	Planning	Planning	Healthy Environment	%	Monthly	High	90	93	96	88	96	93	90	CLG (PSF Return) April-June 2012										
LI/TBC	Proportion of planning applications refused	Planning	Planning	Healthy Environment	%	Monthly	Low	17	16	15	18	NA	NA	NA	NA										
LI/TBC	Proportion of major planning applications overturned at appeal	Planning	Planning	Healthy Environment	%	Monthly	Low	10	10	10	NA	NA	NA	NA	NA										
LI/LS/LCC01	Proportion of all land searches completed in five working days	Planning	Planning	Healthy Environment	%	Monthly	High	95	95	95	94	NA	NA	NA	NA										
LI/TBC	Planning enforcement performance indicator (major breach)	Planning	Planning	Healthy Environment	%	Monthly	High	98	98	98	NA	NA	NA	NA	NA										
LI/TBC	Planning enforcement performance indicator (medium breach)	Planning	Planning	Healthy Environment	%	Monthly	High	90	90	90	NA	NA	NA	NA	NA										
LI/TBC	Proportion of spends over £500 with businesses whose HQ is Swale (by number of transactions)	Commissioning	Regeneration	Open for Business	%	Quarterly	High	TBC	TBC	TBC	NA	NA	NA	NA	NA										
LI/TBC	Proportion of spend over £500 with businesses either whose HQ are in Swale or which have a significant local presence and employ a significant number of local people (by value)	Commissioning	Regeneration	Open for Business	%	Quarterly	High	TBC	TBC	TBC	NA	NA	NA	NA	NA										
<b>Colour coding of targets relates to comparative performance.</b>																									
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