

## REPORT TO CABINET

Title: **PERFORMANCE UPDATE REPORT**

Date: 27 November 2008

Lead Member: Councillors Mrs Bateson and Maxwell

Contact Officer: Wendy Esling, Corporate Performance (Ext. 61555)

Wards affected: All wards

### 1. SUMMARY

- 1.1.1 This is the mid-year performance report based on the new monitoring framework, and is therefore part of an emerging process. The report reviews progress towards the National Indicator targets for the first half of 2008/9, focussing upon the Local Area Agreement (LAA) targets and areas of underperformance.
- 1.1.2 Initial results show that 56% of the existing LAA reward targets are on course to be fully achieved and a further 19% are currently just short of target. Of the new LAA improvement targets, where data is available, 80% are on target and 20% are currently just short.
- 1.1.3 However, for 64% of the new LAA improvement targets and over half of the National Indicator Set, it is currently not possible to collect performance data or set targets as data is not yet available. This is a national issue, and work is underway to establish collection mechanisms and set targets as soon as possible, although clarification is still awaited on some of the definitions.

### 2. RECOMMENDATION

**That progress towards targets and the next steps be noted.**

What will be different for residents as a result of this decision?
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The report and the underpinning monitoring procedures will enable Members and residents to monitor the delivery of the Local Area Agreement and other local priorities.
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### 3. SUPPORTING INFORMATION

#### 3.1 Background

- 3.1.1 As previously reported, the National Indicators came into effect from 1 April 2008 and should in principle replace all other existing sets of indicators, including Best Value Performance Indicators and Performance Assessment Framework indicators.
- 3.1.2 Appendix I presents the 'highlight' performance report for the first half of the year. It reports the results for the Local Area Agreement targets, including the existing

reward targets and other National Indicators by exception, where performance is above or below expected margins.

3.1.3 Initial summary graphs indicate the overall performance of indicators and indeed a number are on course to meet targets (80% of the new LAA improvement targets, and 56% of the existing reward targets). However, these figures and the accompanying graphs are currently not fully representative as data is not available for 64% of the new LAA improvement targets and almost half of the National Indicator Set as detailed below. Graphs have been included to provide the breakdown of reasons why data is currently not available. Wherever possible, proxy measures are being developed to provide an indication of the performance trend.

3.1.4 Appendix II then details the results for each indicator, explaining where data is not available or where performance is below expectations. Each LAA and National Indicator is categorised to show those collected by the Council, collected by partners, measured through the Place Survey etc.

### **3.2 Performance data and target-setting**

3.2.1 Target-setting and performance reporting for the National Indicators is a complex process; some of the measures introduced by the Government are entirely new whilst others are based on the former BVPIs. Baseline data is available for those indicators in the latter category, but for the new measures, in many cases no data is yet available, including those to be measured through the Place Survey, which is due to be carried out shortly, with results due early in the New Year. The categorisation of indicators in the report illustrates the high proportion (64% for the new LAA improvement targets) where data is not available, and also that the majority of the indicators are not directly measured by the Council, highlighting the importance of a partnership approach.

3.2.2 Work is ongoing to implement processes to collect the data; in around 25% of cases, data needs to be provided by partner organisations and discussions are underway to agree arrangements for this. For indicators where it is currently not possible to set targets, or targets are provisional, these will be confirmed in the course of the year as trend data becomes available.

### **3.3 Next steps**

3.3.1 It is recommended that the format in Appendix I forms the basis for future reporting. Six-monthly updates will henceforth be provided to Cabinet and quarterly performance reports submitted to Audit & Performance Review Panel. Further targets and performance data will be included for outstanding indicators as data becomes available. This will hopefully provide balanced and proportionate reporting, focussing on exceptions and areas of underperformance, with the detail also available to underpin this where required.

3.3.2 For the existing reward targets, lead officers are currently focussing upon those indicators which are just short of target and are developing strategies to achieve a positive outcome. Further details will be provided in future reports.

## 4. OPTIONS AVAILABLE AND RISK ASSESSMENT

### 4.1 Options

	Option	Comments	Financial Implications
1.	Discuss the progress report and note the next steps (recommended)	The report has been developed by the respective directorates based on available data.	The future financial implications of the Local Area Agreements are significant; the potential performance reward grant for the first LAA (2007-10) is approximately £3.5 million. The performance reward grant for the new LAA has yet to be confirmed but is expected to be in excess of £750k.  There are no financial costs arising directly from this report, although individual actions require time and money to address. These will ordinarily be met from within existing budgets.
2.	Request changes to the performance report template	Changes could be made to the format for the next update report. However, it is hoped that the proposed format will provide focussed and proportionate reporting.	
3.	Request changes to the targets	Altering targets set by directorates could result in targets becoming inappropriate, and attempting to set targets where there is no baseline data available would be very high risk.	

### 4.2 Risk assessment

- 4.2.1 The principle risks are in relation to target-setting; whilst it is recognised that the delay in being able to put forward targets for some indicators means it is not possible to monitor performance, it is not recommended that targets are set, or in the case of draft targets confirmed until reliable trend data is available.
- 4.2.2 As stated, a significant proportion of the indicators are currently awaiting final definitions, or other points of clarification. If this situation is not resolved, there is a risk of confusion for all local authorities.

## 5. CONSULTATIONS CARRIED OUT

- 5.1.1 All directorates have contributed to the contents of the report.

## 6. COMMENTS FROM THE OVERVIEW AND SCRUTINY PANEL

- 6.1.1 The report is due to be considered by the Overview and Scrutiny Panel on 25 November.

## 7. IMPLICATIONS

7.1.1 The following implications have been addressed where indicated below.

Financial	Legal	Human Rights Act	Planning	Sustainable Development	Diversity & Equality
✓	✓	✓	N/A	✓	✓

Background Papers:

Local Area Agreement 2007-10

Local Area Agreement 2008-11

National Indicator Set