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| REPORT TO: | Finance and Management Committee | AGENDA ITEM: 9 |
| DATE OF MEETING: | 2nd December 2010 | CATEGORY: DELEGATED |
| REPORT FROM: | Chief Executive / Director of Corporate Services | OPEN |
| MEMBERS' CONTACT POINT: | John Porter (5780) | DOC: |
| SUBJECT: | Corporate Plan 2009-14: Performance Management Report (1st July 2010 – 30th September 2010) | REF: |
| WARD (S) AFFECTED: | All | TERMS OF REFERENCE: K |

1.0 Recommendations

1.1 That Members:

- (a) Note the Council's key achievements and performance for the quarter ending 30th September 2010.
- (b) Review where performance has failed to achieve the specified target and consider the adequacy of each response.

2.0 Purpose of Report

- 2.1 To report details of performance for the quarter ending 30th September 2010, in relation to the Council's Corporate Plan 2009 –2014.
- 2.2 The Corporate Plan 2009-14 Action Plan consists of four main themes (*Sustainable Growth & Opportunity: Safe & Secure: Lifestyle Choices: and Value For Money*).
- 2.3 This Committee is responsible for actions and relevant Performance Indicators within the '*Value for Money*' theme.
- 2.4 The performance report, attached at Appendix A, shows our progress against Corporate Plan actions and relevant Performance Indicators.

3.0 Detail

Key Achievements

- 3.1 The key achievements during the first quarter are outlined overleaf for **Value for Money**.

Initiative: Meeting Community Needs

VFM 1.01 - Customer satisfaction and access to Council services (Lead Officer – Pam Carroll)
(ON TRACK)

- The Visiting officer continues to make home visits to vulnerable members of the community to offer advice on benefits available and assist with the completion of claim forms.
- Future Surgeries will be held at Newhall Childrens Centre and Castle Gresley Childrens Centre, Shardlow Evergreen Group, Shardlow Village Hall and 50+ Forum at Gresley Old Hall.

Initiative: Increasing Efficiency

VFM 2.01 - Improve performance and release cash resources (e.g. service delivery reviews and Disposal of Assets surplus to requirements) (Lead Officer – Kevin Stackhouse) **(ON TRACK)**

- The Business Improvement Board considered and approved several projects on 4th November in order to deliver further savings through procurement and process improvements in services across the Council.
- These will be delivered by Northgate through the Strategic Partnership with the Council as part of the guaranteed cashable savings offered within the Agreement.
- In addition, work is on going to generate capital receipts from the disposal of surplus assets. A further land sale is subject to public auction in December and the 2nd Phase of the Wilmot Road scheme is currently subject to negotiation.

Initiative: Development of Staff and Members

VFM 3.01 - Develop the leadership and management programme (Lead Officer – David Clamp)
(ON TRACK)

- The Senior Management Development Programme has continued in line with the agreed plan for the 2nd qtr. This included individual and group learning interventions.
- A new cohort of first line and aspiring managers commenced their training programme in September 2010. This comprises 10 SDDC employees from four of the six service areas, in addition to two Northgate employees working in the Organisational Development Division.
- The final 360 assessments for all three cohorts of Middle Managers were completed towards the end of this quarter, bringing the Middle Managers Development Programme to a close.
- The Council's management training provider has begun to analyse the success of this programme, and lead officers will submit a report to full council in due course.

Initiative: High Performing Services

VFM 4.01 - Improving performance of services (Lead Officer – David Clamp) **(ON TRACK)**

- The Partnership's policy team has finished scoping, developing and designing plans for a new performance framework, and is consulting on the initial proposals with service heads.

- The policy team produces quarterly performance reports that celebrate the Council's successes and highlight areas for continued improvement.
- The internal performance boards continue to be improved and upgraded.

Initiative: High Standards of Corporate Governance

VFM 5.01 - Maintain sound and stable finances and high standards of Corporate Governance. (Lead Officer – Kevin Stackhouse) **(ON TRACK)**

- The Council reviewed its MTFP in October to rebase the financial position ahead of the proposed effects of CSR 10. Detailed figures are expected on 7th December.
- In addition, the Council is currently undertaking its 1/2 yearly review of the Corporate Governance Code. This is also in the light of CSR 10 and will be reported to the Audit Committee on 15th December.

Performance to 30th June 2010

3.2 Summary details of actual performance will now be provided.

Actions

3.3 This Committee is responsible for 5 actions within the Corporate Plan 2009-14. The quarterly performance is shown in Table 1 below.

Table 1: Performance against Corporate Plan actions (as at 30th September 2010)

| Theme | 'Status Unknown' | 'Not Started' | 'At Risk' | 'On Track' / 'Achieved' | Total |
|--------------------|------------------|---------------|-----------|-------------------------|-------|
| 1: Value for Money | 0 | 0 | 0 | 5 | 5 |

3.4 Table 1 reveals that 5 out of 5 (100%) actions that have been started are 'on track' for completion or have been 'completed'. This represents 100% of all actions within this theme of the Corporate Plan.

3.5 Table 2 below lists those actions that are 'at risk' of failure. Members are now requested to review this position and assess whether they consider the proposed remedial measures are satisfactory at this stage.

Table 2: Corporate Plan – Actions 'at risk' (as at 30th September 2010)

| Action | Progress to 30 th June 2010 | Remedial Action |
|--------------------|--|-----------------|
| No actions at risk | | |

Performance Indicators

National Indicator Set (NIS)

- 3.6 The original set of 198 Performance Indicators were introduced in April 2008, in which 64 PIs are reported at a district level. This Council is responsible for the collection of half these PIs, where the remainder is derived from other external sources, such as Defra. Details of relevant external data, which is reported at a district level is also provided for information purposes and helps to inform the delivery of our services.
- 3.7 Following the Budget 2010, a number of PIs were removed from the NIS with effect from 1st April 2010. This was in line with the commitments made in the *'Putting the Frontline First: Smarter Government'* to remove indicators that were no longer relevant or needed.
- 3.8 The Government also announced in October 2010, the replacement of the National Indicator Set with a single, comprehensive list of data which they will expect local government to provide to central government. They are aiming to make the data requirements placed on local government transparent and will review and reduce these requirements for April 2011.

Local Performance Indicators

- 3.9 These are performance indicators, which have been set by each Head of Service, so that they can measure their operational performance. The committee has the option to recommend any changes to these targets as they see fit.
- 3.10 Table 3 below shows a summary of performance against targets within the Corporate Plan theme- *'Value for Money'*, in which 31 (88.6%) targets have been 'achieved' or 'on target'. The number of indicators identified as 'At Risk' has fallen from 11 during Q1 to 4 during Q2.

Table 3: Performance Indicators – performance against targets (as at 30th September 2010)

| Theme | No Data Provided | 'At Risk' | 'On Target'/'Achieved' | Total |
|--------------------|------------------|--------------|------------------------|-------|
| 1: Value for Money | 0 (0%) | 4 (11.4%) | 31 (88.6%) | 35 |

- 3.11 Table 4 below lists those targets that are 'at risk' of failure. Members are now requested to review this position and assess whether they consider the proposed remedial measures are satisfactory at this stage. Those indicators with a dark background were identified as 'At Risk' in the previous quarter, and as such have now been under-performing for 6 months.

Table 4: Performance Indicators - targets 'at risk' of failure (as at 30th September 2010)

| <u>Description</u> | <u>Otr 2 Target 2010/11</u> | <u>Position as at 30th Sept 2010</u> | <u>Comments and Planned Remedial Action</u> |
|--|-----------------------------|---|---|
| <u>BV 008 - Payment of Invoices within agreed payment terms [BV8] (FY Quarter)</u> (Kevin Stackhouse) | 97.00% | 96.86% | Performance is slightly below target against the annual figure. Measures are in place to improve performance and we expect to be back on track in the 3 rd Quarter |
| <u>CS 007 - Percentage increase of payments made by Direct Debit (FY Quarter)</u> (Kevin Stackhouse) | 59.50% | 59.10% | Take up campaign initiated in customer services to convert customers to direct debit. Direct debits are now being taken over the phone to improve take up. |
| <u>HS 020 - Amount of Former Tenant Arrears (FTAs) (FY Quarter)</u> (Bob Ledger) | 90.00 | 100.70 | The collection rate shows improvement on this time last year. However arrears being left by current tenants terminating their tenancies has outweighed income received on former tenant accounts. The review of recovery activities is now underway and new collection agents are being sought. |
| <u>OD 004 - Number of working days lost due to sickness absence. (FY Quarter)</u> (Kevin Stackhouse) | 2.0 | 2.1 | Sickness Absence is continually monitored; the policy has been reviewed and agreed with Trade Unions. A new review to be undertaken by January 2011. Targeted action planned to help support managers in areas where absence continues to be an issue. |

Financial Performance

3.12 Analysis of financial performance is outlined in the tables in Appendix B1, B2 and B3.

3.13 Financial performance is measured across three main accounts: the General Fund Revenue Account (Table B1), Housing Revenue Account (Table B2), and Capital Expenditure (Table B3). Within each 'Account' details are provided by spend area, the approved annual budget and a projected variance for the year. An assessment of the 'spend' is provided with a commentary on major variances.

4.0 Financial Implications

4.1 There are no specific financial implications relating to this report. The need to continually improve while delivering the ambitions of the *Corporate Plan* will require a sustained efficiency programme, including the shifting of resources to the priority areas.

5.0 Corporate Implications

- 5.1 The Council aspires to be an “excellent” Council in order to deliver the service expectations of our communities. This performance report evidences an improvement in how we are meeting those demands and expectations.

The committee should note that the percentage of indicators that are now classed as ‘At Risk’ has fallen to four. This is a significant achievement. However, two of these ‘At Risk’ indicators were also ‘At Risk’ last quarter.

6.0 Conclusions

- 6.1 A high level of performance and improvements has delivered a range of outcomes for local communities.
- 6.2 This performance report evidences improvement in how the Council is meeting demands and expectations as outlined in the Corporate Plan 2009-14.
- 6.3 Certain performance targets have been classified as Red (‘At Risk’) for two consecutive quarters.

Appendix A: Performance Indicators – Value for Money

Quarter 2:

| PI Description | 2010/11 Qtr2 Target | 2010/11 Qtr2 Actual | 2010/11 Qtr2 Status |
|--|---------------------------|---------------------------|---------------------------|
| <u>BV 008 - Payment of Invoices within agreed payment terms [BV8] (FY Quarter)</u> | 97.00% | 96.86% | R |
| <u>BV 009 - Percentage of Council Tax collected. (FY Quarter)</u> | 25.00% | 26.33% | G |
| <u>BV 010 - Non-domestic rates collected (FY Quarter)</u> | 25.00% | 30.19% | G |
| <u>BV 066a - Collection of HRA Rent (FY Quarter)</u> | 97.00% | 98.55% | G |
| <u>BV 066b - Percentage of gross rent arrears (more than 7 weeks) (FY Quarter)</u> | 2.40% | 1.93% | G |
| <u>NIS 181 - Time taken to process Housing Benefit/Council Tax Benefit new claims and change events (FY Quarter)</u> | 18.0 | 14.6 | G |
| <u>LDS 010 - Full searches carried out in 8 working days (FY Quarter)</u> | 99.9% | 100.0% | G |
| <u>HS 012 - Tenants satisfaction with responsive maintenance (FY Quarter)</u> | 95.00% | 96.00% | G |
| <u>HS 013 - Tenants satisfaction with planned maintenance (FY Quarter)</u> | 95.00% | 97.80% | G |
| <u>HS 019 - Rent arrears of current tenants exc FTA's (FY Quarter)</u> | 114.50 | 114.35 | G |
| <u>HS 020 - Amount of Former Tenant Arrears (FTAs) (FY Quarter)</u> | 90.00 | 100.70 | R |
| <u>HS 021 - Percentage of Former Tenant Arrears (FTAs) collected - HRA dwellings (FY Quarter)</u> | 5.00% | 7.77% | G |
| <u>ES 001 - Proportion of Environmental Health service requests dealt with on time (FY Quarter)</u> | 95.0% | 97.8% | G |
| <u>ES 002 - 'Good' or better customer satisfaction rating for all Environmental Health. (FY Quarter)</u> | 95% | 97% | G |
| <u>ES 009 - Household waste and compost collections missed per 100,000 due (FY Quarter)</u> | 21.00 | 16.50 | G |
| <u>ES 010 - Kerbside recycling collections missed per 100,000 due (FY Quarter)</u> | 10.00 | 4.23 | G |
| <u>ES 011 - Complaints about household waste and composting service per 100,000 collections due (FY Quarter)</u> | 28.00 | 21.40 | G |
| <u>ES 012 - Complaints about kerbside recycling service per 100,000 collections due (FY Quarter)</u> | 15.00 | 6.93 | G |
| <u>CS 014 - RV Based on Business Rates (FY Quarter)</u> | | 53,769,905 | G |

| | | | |
|---|--------|---------|---|
| <u>CS 001 - Contact Centre - Percentage of abandoned telephone calls (FY Quarter)</u> | 10.00% | 3.60% | G |
| <u>CS 002 - Contact Centre - Minimum percentage of Telephone Calls answered within 20 seconds (FY Quarter)</u> | 85.00% | 86.00% | G |
| <u>CS 003 - Contact Centre - Percentage of customers who are satisfied with the telephone service (FY Quarter)</u> | 85.00% | 94.00% | G |
| <u>CS 004 - Contact Centre - Percentage of customers who are satisfied with the 'face to face' service (FY Quarter)</u> | 85.00% | 93.00% | G |
| <u>CS 005 - Accuracy check on Housing Benefit assessment (FY Quarter)</u> | 10.00% | 10.15% | G |
| <u>CS 006 - Total number of Housing Benefit cases requiring Rent Office decision referral (FY Quarter)</u> | 100% | 100% | G |
| <u>CS 007 - Percentage increase of payments made by Direct Debit (FY Quarter)</u> | 59.50% | 59.10% | R |
| <u>CS 010 - Number of Benefit sanctions / prosecutions (FY Quarter)</u> | 10 | 17 | G |
| <u>CS 011 - Percentage of Investigations that result in an overpayment of Benefit (FY Quarter)</u> | 20.00% | 33.30% | G |
| <u>OD 004 - Number of working days lost due to sickness absence. (FY Quarter)</u> | 2.0 | 2.1 | R |
| <u>BI 001 - Maintain Stable Network (excluding maintenance) (FY Quarter)</u> | 98.00% | 99.84% | G |
| <u>BI 002 - Overall Service Rating (FY Quarter)</u> | 83.00% | 89.00% | G |
| <u>BI 003 - Deliver Key stages of ICT Strategy (FY Quarter)</u> | 50% | 55% | G |
| <u>BI 004 - Implement Business Improvement and Procurement Action Plan (FY Quarter)</u> | 47.00% | 48.00% | G |
| <u>BI 005 - Deliver Key Stages of Procurement Strategy (FY Quarter)</u> | 50.00% | 56.25% | G |
| <u>BI 006 - Respond to Freedom of Information requests within 20 working days (FY Quarter)</u> | 90.00% | 100.00% | G |

Appendix B1: General Fund Revenue Account

| Analysis of Expenditure (by Main Service /Project Area) | Revised Budget 2010/11 £ | Projected Variance for the Year 2010/11 £ | Status | Commentary on major variances |
|---|-----------------------------|--|--------|---|
| Environment Services | 4,197,427 | - 30,000 | G | This mainly relates to a projected reduction in the cost of collecting recyclable materials. The cost of collection varies depending upon the amount of recyclable waste collected and therefore, future demands may affect the projected year-end position. |
| Corporate Services | 3,978,661 | + 38,600 | A | This includes services included as part of the Northgate Partnership. There are several variances within the overall total, with the main variance being on housing benefits. Further detail is contained within the quarterly financial and monitoring report. |
| Private Sector Housing & Public Buildings | 612,619 | 0 | G | |
| Legal & Democratic Services | 872,349 | 0 | G | |
| Leisure & Community Services | 2,089,495 | - 16,700 | G | The projected decrease is due to savings on business rates at Green Bank Leisure Centre stemming from a revaluation of the premises. A one-off backdated refund of approximately £22,000 has been received. The Head of Leisure and Community Development has requested that this is set-aside to supplement any costs or loss of income associated with the temporary closure of the Centre to undertake the planned refurbishment. This would be in addition to £32,000 set-aside from 2009/10 for the same purpose. |
| Planning Services | 604,005 | + 58,000 | A | At this stage income from planning fees is below estimate. However, there are a number of applications due to take place, which may reverse this variance later in the financial year. At present, overall income from building regulations is currently on budget. |
| Total | 12,354,556 | + 49,900 | | |

Appendix B2: Housing Revenue Account

| Analysis of Expenditure (by Main Service /Project Area) | Revised Budget 2010/11 £ | Projected Variance for the Year 2010/11 £ | Status | Commentary on major variances |
|---|-----------------------------|--|--------|---|
| Housing Repairs | 3,258,384 | 0 | G | |
| General Management | 735,521 | 0 | G | |
| Choice-based Lettings | 30,024 | 0 | G | |
| Share of Corporate and Democratic Costs | 173,750 | 0 | G | |
| Sheltered & Other Services | 1,052,015 | 0 | G | |
| Council Tax on Void Properties | 4,518 | 0 | G | |
| Provision for Bad Debts | 7,500 | 0 | G | |
| Capital Charges | 97,340 | 0 | G | |
| Depreciation | 1,914,938 | 0 | G | |
| Payment to the Government Pool (Negative Subsidy) | 3,463,479 | 0 | G | |
| Other Provisions | 47,940 | 0 | G | |
| Rent & Other Income | (10,351,772) | 48,000 | A | <p>Except for Rent Income, there are no additional variances to the Revised Budget, which was reported as part of the MTFP review in October. The projected loss of income compared to the Budget of £48,000 is made up of:</p> <ul style="list-style-type: none"> • £80,000 reduction in supporting people grant from the administering authority. This grant is demand led and is difficult to estimate the number of tenants who will meet the qualifying criteria. This is offset by • (£12,000) increased income from rechargeable works. • (£20,000) increased income from additional Telecare customers |
| Net Deficit | 433,637 | 48,000 | | |

Appendix B3:

| Analysis of Expenditure (by Main Service /Project Area) | Revised Budget 2010/11 £ | Projected Variance for the Year 2010/11 £ | Status | Commentary on major variances |
|---|-----------------------------|--|--------|---|
| Council House Improvements | 2,460,731 | 808,118 | G | On programme |
| Disabled Facility Grants (DFG's) | 298,098 | 165,434 | G | The budget for DFG's is spending higher than a straight line profile at this stage. |
| Other Housing Investment | 408,736 | 166,328 | G | On programme |
| Leisure & Community Schemes | 1,170,424 | 428,888 | G | On programme |
| Environmental & Development | 746,007 | 430,973 | G | On programme |
| Property & Other Assets | 483,074 | 213,190 | G | On programme |
| Total | 5,567,070 | 2,212,931 | | |