	REPORT TO CABINET TO BE HELD ON 15 DECEMBER 2015
This report contains exempt or confidential information in Appendix 3 which is excluded from this publication	Key Decision No Forward Plan Ref No
Corporate Priority All	Cabinet Portfolio Cllr. A Jenkinson Holder

REPORT OF THE DIRECTOR (LD) – 15/341

WARDS AFFECTED: ALL

SUBJECT: PERFORMANCE MANAGEMENT FRAMEWORK - QUARTER 2 REPORT 2015/16

RECOMMENDATIONS:

Members are recommended to:

- (i) Note the contents of this report and in particular the good/satisfactory levels of performance being achieved by services at the current time and consequently not refer any areas of performance to Overview and Scrutiny at the current time
- (ii) Approve the approach being taken to incorporate the monitoring of significant contracts and major events into the Council's Corporate Performance Management Framework

REASON FOR RECOMMENDATIONS:

To provide information relating to Council performance for a rolling 12 month period to the end of the second quarter of 2015/16, including monitoring of Performance Indicators, Critical Success Factors and Significant Partnerships.

To ensure that the Council's Corporate Service and Business planning processes are effective.

In accordance with Government guidelines, details on the performance of the Council and its services must be made available through as many mechanisms as possible.

HIGHLIGHTED RISKS: There are risks in respect of performance matters, primarily in respect of poor performance. Through the monitoring procedures that are in place throughout the Council, these risks are mitigated. The publication of performance information meets with the Government's public data transparency agenda and non-publication could lead to an external challenge.

1. INTRODUCTION

- 1.1 The Council is committed to a performance management culture that underpins our focus on continuous improvement. Regular monitoring of the Council's top level performance is a key component of the performance management framework (PMF) and the Corporate Planning Process overall.
- 1.2 The current Corporate Planning process includes the publication of a Corporate Plan, which sets out the aims and priorities of the Council for a five year period, and an Annual Report and Improvement Plan (ARIP), which sets targets for the next 12 months. The publication of the ARIP is in line with best practice in publishing details of the Council's progress and Performance Management data, and complements other components of the Corporate Planning processes, such as Finance and Performance monitoring reports.
- 1.3 Quarterly reports on performance are presented to Cabinet, following which performance information is referred to a Scrutiny Committees for their consideration if deemed appropriate. This allows each Scrutiny Committee to focus on performance related to their areas of responsibility, to examine any areas where performance is shown to be downward and challenge the Services concerned with a view to identifying where performance can be improved. The process is about more than the monitoring of performance, it ensures that Members are involved in the management of the Council's performance.
- 1.4 With the exception of a small number of performance indicators, data is assessed over a rolling 12-month period. This is felt to be a more accurate means of assessing performance by removing elements of seasonality, smoothing out short-term fluctuations and highlighting longer-term trends or cycles.

2. CORPORATE AIMS/PRIORITIES AND THE COMMUNITY PLAN

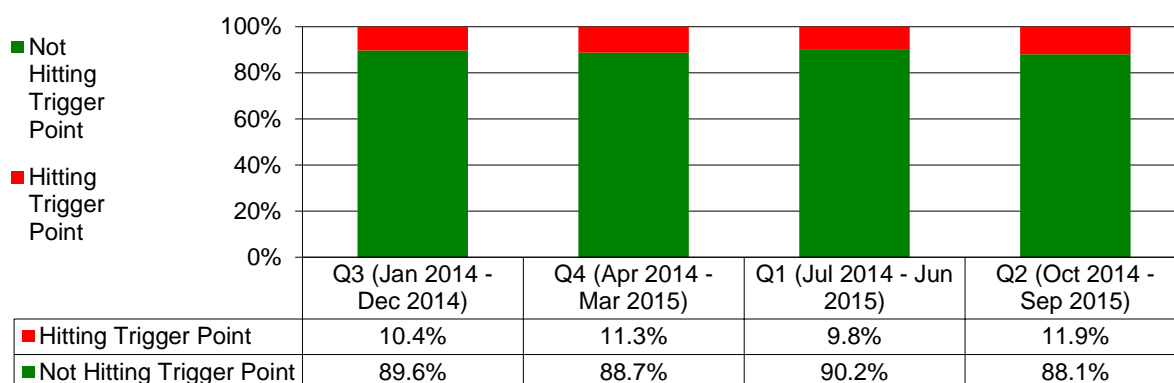
- 2.1 Performance Management is key in delivering and monitoring all the Council's aims and priorities.

3. BACKGROUND AND ISSUES

- 3.1 As stated previously, the Council operates a Performance Management Framework (PMF) which is used to monitor the performance of its services.
- 3.2 A wide range of Performance Indicators are currently monitored and reported on, to assist in managing the efficient and effective delivery of Council services and evidence how the Council is delivering against its priorities. This report sets out the results for the Performance Indicators for the period to the end of the second quarter for the 2015/16 financial year. As stated previously in this report, with the exception of a small number of performance indicators, data is assessed over a rolling 12-month period. This means that data for the end of quarter 2 2015/16 covers the period from October 2014 to September 2015 inclusive.
- 3.3 The Council's approach is based on exception reporting, and detailed information is only provided for those indicators which are deemed to be 'at risk', ie., where targets are not being achieved and performance is in a downward direction of travel. Tolerance limits have also been set for all indicators; these have been established so that minor fluctuations in performance and achievement of targets can be disregarded. This ensures that the focus is firmly on areas of concern.
- 3.4 It is pleasing to note that the results of the exception reporting for the second quarter of 2015/16 have identified only a small number of PIs that meet the criteria for 'at risk', with good or satisfactory performance being achieved in most areas.

3.5 Direction of Travel - % of Performance Indicators hitting exception reporting trigger point

- 3.6 The Chart below compares the position re number of indicators where performance is hitting the exception reporting trigger point. There has been a slight increase in the number of indicators hitting the exception reporting trigger since the last quarter.



- 3.7 A small number of Key performance indicators are highlighted as 'at risk' at quarter two of 2015/16 Financial Year and these are as follows:

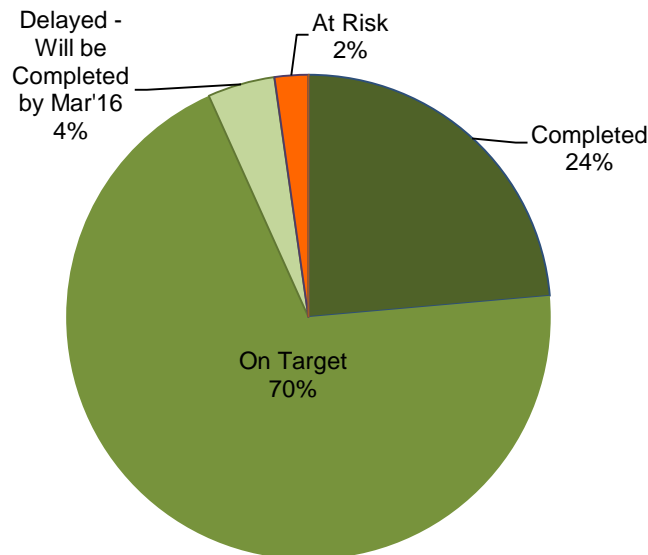
Number	Performance Indicator	Referred previously
	Sickness	
HR3	Working days lost due to sickness absence	Yes
	Planning	
DM2a	% of valid minor and other applications acknowledged within 5 working days	Yes
FP1	% of new homes built on previously developed land.	No
	Corporate Finance	
AR1	To reduce the overdue balance outstanding by 10% compared to last year	No
AR2	To reduce disputed, held and legal invoices to 30% of the total overdue debt	No
HB1	To reduce the level of outstanding sundry debt to the amount outstanding at the end of the previous financial year less 5%	No
	ICT Services	
CF2	Percent of DPA requests responded to on time	No
	Choices4Energy	
C4E1	Number of residents using Choices4Energy	No
	Sustainable Communities	
SCT1	Repeat incidents of domestic violence	No
SCT13a	Number of crime incidents in the Night Time Economy in Scarborough CIZ	No

3.8 A proforma is completed for indicators which are identified as ‘at risk’, to provide further information concerned as to reasons for the current levels of performance. Comparisons to the previous year’s data for the same period are shown where information is available. The proforma also includes a trend chart which shows details of performance for each indicator on a monthly or quarterly basis. Services are also required to complete an action plan which will be monitored and progress reported to Cabinet. Proforma for the Performance Indicators listed above are attached at appendix 1. It should be noted that there were in addition a small number of other Performance Indicators found to meet the criteria of ‘at risk’, however, these were found to be within acceptable tolerance levels.

3.9 Critical Success Factors

Performance is also monitored through ‘Critical Success Factors’ which are the projects and performance measures which each service will deliver in the year ahead, as their contribution to the Council’s aims and priorities as set out in the Corporate Plan.

3.10 Monitoring of Critical Success Factors (CSFs) shows that at the current time 2% of CSFs are at risk or unlikely to be completed by the end of the Financial Year.



3.11 The following sets out details of those CSFs designated as 'at risk' and 'unlikely to be completed' at the current time.

Description	Current Position – November 2015	Comments	Referred previously?
Harbours			
Develop a draft Ports Strategy ready for consultation by March 2016	At Risk	Awaiting formulation of Ports Development Group	No
Project Management			
Obtain planning permission for Church Street, Whitby Flood Alleviation Works	At Risk	This project has been slightly delayed due to the need to progress higher priority projects.	No

3.12 Significant Partnerships

3.13 The Council classes its significant partnerships as:

'partnerships of major financial consequence and significantly affecting corporate priorities if the partnership were to fail'.

3.14 Regular monitoring and scrutiny of the Council's Significant Partnerships is undertaken, through a scoring mechanism which provides a RAG (Red, Amber, Green) status for each partnership to facilitate exception reporting. Partnership Score Cards are completed by the Responsible Officer for the Partnership, in conjunction with the Lead Member.

3.15 The list of Significant Partnerships has been reviewed as part of the six-monthly monitoring process, and The Sands Development and Middle Deepdale project have been removed from the list, as these are now to be designated as Significant Contracts. In addition, the North Yorkshire Coast Community Partnership was dissolved in October 2015, and the key functions are to be undertaken by other partnerships and structures, specifically the

Public Service Executive (PSE). The PSE has therefore replaced the North Yorkshire Coast Community Strategic Partnership on the list.

- 3.16 The results of six-monthly Review for Significant Partnerships is attached at appendix 2 and this shows that all partnerships, with the exception of the Welcome to Yorkshire Partnership, are scored as Green, no areas of concern at the current time.
- 3.17 The Welcome to Yorkshire Partnership is currently assessed as 'amber' due to some uncertainty about future funding. Proposals have been developed which will address this issue, and will be put to Members shortly.

3.18 Monitoring of Significant Contracts and Events

- 3.19 As part of on-going development work, it is proposed to incorporate monitoring of both Significant Contracts and of the Major Events which are managed by the Council into the Council's corporate performance management framework.
- 3.20 A system has now been developed to identify which contracts and events are of the greatest significance to the Council and therefore require regular monitoring and scrutiny. In line with the approach developed for significant partnerships, reporting to Scrutiny on contracts and events will be by exception only, thus ensuring that all significant contracts and major events continue to be monitored but that Scrutiny is focused on areas where there are concerns/risks of failure.
- 3.21 In line with the system used for the Council's Significant Partnerships, a scoring mechanism has been developed, based on the Council's current Risk Matrix, to provide a RAG (Red, Amber, Green) status to facilitate exception reporting. Score Cards will be completed by the Responsible Officers on a six-monthly basis and the results incorporated into the Corporate Performance Management Framework.
- 3.22 It is proposed that Audit Committee also receive a report on an annual basis on Risk and Governance Arrangements of Partnerships, Contracts and Events. This report will include a summary overview of all significant partnerships, contracts and events, showing the RAG (Red, Amber, Green) assessment of each and enable the Audit Committee to make further recommendations to Scrutiny if deemed appropriate.

4.0 RECOMMENDATIONS

- 4.1 As stated previously, results of the exception reporting analysis have identified only a small number of performance indicators to be 'at risk'. Overall, the Council's services have been assessed to be performing well or satisfactorily.

4.2 Sickness

A detailed table in relation to sickness absence is provided at appendix 3. This details sickness by service and further information has been provided by each Service Unit Manager where the level of sickness absence meets the exception criteria of not meeting target, and performance is worse than the same time period last year.

4.3 The level of sickness absence was reported at quarter 1 along with benchmarking information which showed that whilst sickness absence levels have increased, the figures still compare very favourably to those in other Councils. Overall, there has been no increase in the level of sickness absence since the last quarter.

4.4 Planning

- % of valid minor and other applications acknowledged within 5 working days.

Further work is on-going to improve systems and process which should result in an improvement in performance.

- % of new homes built on previously developed land.

Housing delivery is increasing through the delivery of homes on previously allocated sites (e.g. Middle Deepdale), and other greenfield sites released for development ahead of the local plan, in accordance with national planning policy, which is pushing for accelerated delivery from all sources of supply. This trend of increased greenfield delivery is likely to continue over a sustained period of time. This indicator and target will therefore be reviewed, in light of changes to policy.

4.5 Corporate Finance

- To reduce the overdue balance outstanding by 10% compared to last year
- To reduce disputed, held and legal invoices to 30% of the total overdue debt
- To reduce the level of outstanding sundry debt to the amount outstanding at the end of the previous financial year less 5%

A detailed explanation for these indicators is provided in appendix 1.

Improvements in performance against these indicators is expected by the next quarter.

4.6 ICT Services

- Percent of Data Protection Act (Subject Access) requests responded to on time.

Whilst this indicator is showing as at risk, only a small number of requests are received and these can be complex and it is often time-consuming to prepare a response. Steps have been taken to prioritise these requests to ensure that the target is achieved.

4.7 Choices4Energy

- Number of residents using Choices4Energy.

There have been changes to Government funding available, combined with relocation of the service, which has resulted in a reduction in the number of residents using the service. The Service has now been transferred to the Home Improvements Agency and work is being refocused which should result in an increase in numbers of residents assisted.

4.8 Sustainable Communities

- Repeat incidents of domestic violence.

This increase is being investigated and cases are being audited to identify any gaps in services.

- Number of crime incidents in the Night Time Economy in Scarborough CIZ

Analysis of incidents has shown that there has been a decrease in specific locations, however, peripheral routes have shown an increase in incidents and work is underway to determine if additional measures are required.

4.9 It is recommended that Cabinet do not refer any areas to scrutiny at the current time.

4.10 In all cases, performance will continue to be monitored and reported to Cabinet as part of the quarterly performance monitoring reports, and if performance does not improve, Cabinet may wish to refer the matter to Scrutiny at a later date.

4.11 Significant Partnerships

4.12 In respect of the Council's Significant Partnerships, it is recommended that Cabinet consider whether they wish to refer the Welcome to Yorkshire Partnership to Scrutiny for further consideration.

4.13 Significant Contracts and Events

4.14 Cabinet are asked to approve the approach to the monitoring of the Council's Significant Contracts and Major Events which is set out in this report.

5. IMPLICATIONS

Policy

5.1 No specific implications

Financial

5.2 There are no direct financial consequences

Legal

5.3 No direct legal implications identified.

Sustainability

5.4 There are no sustainability issues identified at this time

Equalities and Diversity

5.5 No specific implications

Others

5.6 I have considered whether there are any Staffing, Planning, Crime and Disorder, Health and Safety, and Environmental implications arising from this report and am satisfied that there is no identified implication that will arise from this decision.



Lisa Dixon
Director

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Background Papers:
None

IF YOU HAVE ANY QUERIES ABOUT THIS REPORT OR WISH TO INSPECT ANY OF THE BACKGROUND PAPERS, PLEASE CONTACT PETRA JACKSON 01723 383528, e-mail petra.jackson@scarborough.gov.uk

Risk Matrix

Risk Ref	Date	Risk	Consequences	Mitigation	Current Risk Score	Target Score	Service Unit Manager/ Responsible Officer	Action Plan
1	October 2015	Performance Management arrangements are not responsive and effective	Poor service performance External auditor criticism	Performance Management Framework	A3	A3	Senior Performance and Governance Officer	None
2	October 2015	Performance information is not made available to the public	This is against the Government's guidelines and the Council could be challenged	Publication of information via the web site, Annual report and news articles	A3	A3	Senior Performance and Governance Officer	None
3	October 2015	The performance of the Council's Significant Partnerships is not monitored	Failure of a partnership could lead to failure to deliver a key service/project, reputational issues	Development and implementation of new system for monitoring Significant Partnerships	C3	A3	Senior Performance and Governance Officer	None

Glossary of Terms

Risk

An event which may prevent the Council achieving its objectives

Consequences

The outcome if the risk materialised

Mitigation

The processes and procedures that are in place to reduce the risk

Current Risk Score

The likelihood and impact score with the current mitigation measures in place

Corporate Objectives

An assessment of the Corporate Objectives that are affected by the risk identified.

Target Risk Score

The likelihood and impact score that the Council is aiming to achieve

Service Unit Manager

The Service Unit or Officer responsible for managing the risk

Action Plan

The proposed actions to be implemented in order to reduce the risk to the target score

Risk Scoring

Impact	5					
	4					
	3					
	2					
	1					
		A	B	C	D	E
	Likelihood					

Likelihood:

A = Very Low

B = Not Likely

C = Likely

D = Very Likely

E = Almost Certain

Impact

1 = Low

2 = Minor

3 = Medium

4 = Major

5 = Disaster