	REPORT TO CABINET TO BE HELD ON 14 June 2016
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 Backhouse Holder

REPORT OF THE DIRECTOR (LD) – 16/127

WARDS AFFECTED: ALL

**SUBJECT: PERFORMANCE MANAGEMENT FRAMEWORK -
QUARTER 4 REPORT 2015/16**

RECOMMENDATIONS:

Members are recommended to:

- (i) Note the results of the Performance Indicators for 2015/16
- (ii) Note the good/satisfactory levels of performance being achieved by services at the current time
- (iii) Note the performance against the Critical Success Factors for 2015/16
- (iv) Approve the Council's Critical Success Factors for 2016/17
- (v) Note the results for the monitoring of the Council's Significant Partnerships for 2015/16

REASON FOR RECOMMENDATIONS:

To provide information relating to Council performance for 2015/16 (inclusive), 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.

To seek approval for the Council's Critical Success Factors for 2016/17.

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 overarching 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 Members are required to approve the Annual Report and Improvement Plan, which also includes details of Critical Success Factors, ie, the targets and actions to be undertaken by services on an annual basis. It should be noted that the ARIP incorporates Financial Data, which is not available for publication until it has been approved by Audit Committee in June each year. The ARIP will therefore be presented to Cabinet for approval in September.
- 1.4 Quarterly reports on performance are presented to Cabinet, following which performance information may be called in by the Scrutiny Board for their consideration. This allows Scrutiny to 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.
- 1.5 In line with the current system of exception reporting for PIs, reporting on the performance of the Council's Significant Partnerships is incorporated into the Corporate Performance Management Framework. Further details are provided later in this report.

2. CORPORATE AIMS/PRIORITIES

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

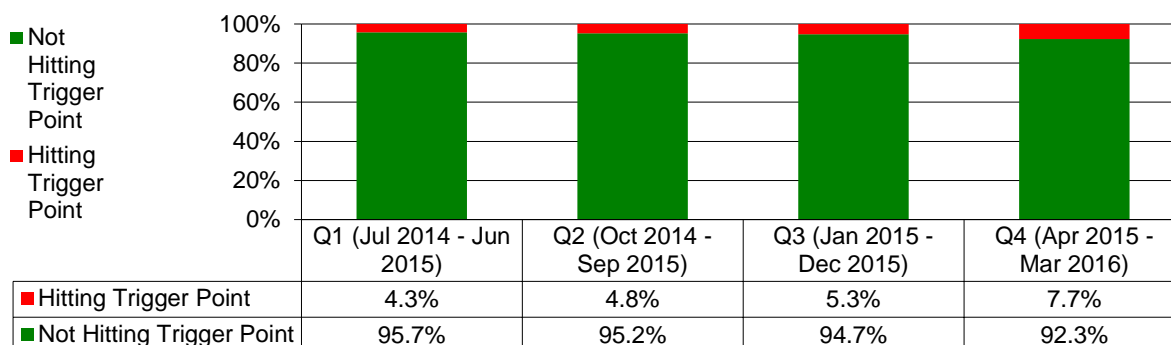
3. BACKGROUND AND ISSUES

Year End Performance Data

- 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 2015/16 financial year. 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. This means that data for the end of the financial year/quarter 4 2015/16 covers the period from April 2015 to March 2016 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 year end/fourth 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 4/year end 2015/16 Financial Year and these are as follows:

Number	Performance Indicator	Referred previously
	Customer Services	
CS2	Percent of abandoned calls	No
	Planning	
DM2a	% of valid minor and other applications acknowledged within 5 working days	Yes
FP3	Net additional homes provided	No
	Market Hall	
MK3	Percent of market hall stalls and vaults let	No
MK4	Market rate of return (income as a percent of asset value)	No
	Projects	
PM2b	Percent of projects that are completed +/- 10% of agreed budget	No

3.8 A proforma is completed for these indicators, to provide further information 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 (PIs) 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 and/or are not classed as Key PIs.

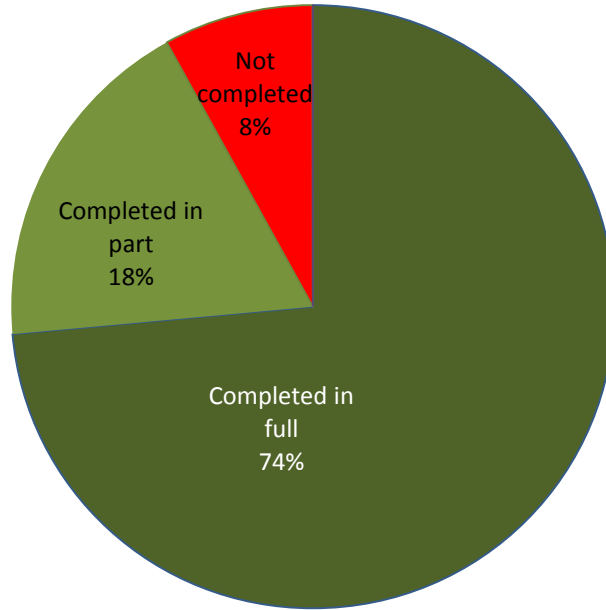
3.9 As stated previously, results of the exception reporting analysis have identified only a small number of performance indicators to be ‘at risk’. Overall, the Council’s services have been assessed to be performing well or satisfactorily.

3.9 Critical Success Factors

3.10 Each Council Service Unit is required to set out a number of ‘Critical Success Factors’ annually. These are the key projects and performance measures which the service intends to deliver as their contribution to the delivery of the Council’s corporate aims and priorities, as articulated in the Corporate Plan.

3.11 This report provides information on performance against the Critical Success Factors for 2015/16 and seeks approval for the CSFs for 2016/17.

3.12 Monitoring of Critical Success Factors (CSFs) shows that 92% of CSFs have been completed in full or part at the end of the 2015/16 Financial Year.



3.13 The following sets out details of those CSFs designated as 'not completed' by the end of the Financial Year.

Description	2015/16 Year End Position	Comments	Referred previously?
Harbours			
Develop a draft Ports Strategy ready for consultation by March 2016	Not Completed	Awaiting formulation of Ports Development Group	Yes
Human Resources			
Consult and implement revised car allowance scheme	Not Completed	Further consultation has been completed on the revised proposals and this ended on 31 March 2016 and working through the feedback received with a view to so that changes can be implemented as soon as possible in the coming months	Yes
Implement phase 2 of the new HR & Payroll system as per agreed programme	Not Completed	ERYC have confirmed that as a result of resource issues work cannot commence on phase 2 of the HR & Payroll system until 2017	No
Project Management			
Obtain planning permission for Church Street, Whitby Flood Alleviation Works	Not Completed	Consultation appointed. Planning permission likely to be achieved in 3 rd /4 th quarter of 2016/17.	Yes
Select contractor for Whitby Piers refurbishment	Not Completed	Currently out to tender. Contractor selection likely to be made in 2 nd /3 rd quarter of 2016/17.	Yes
Commence Market Refurbishment on site	Not Completed	Works now commenced May 2016.	No
Environment & Regulation Services			
To finalise a set of agreed protocols and procedures for the handling and investigation of Statutory Nuisances.	Not Completed	This CSF has been superseded as work is ongoing to review the wider Environmental Service	No

3.14 Details of the proposed CSFs for the 2016/17 Financial Year are set out in appendix 2. These will be incorporated into the ARIP for 2016/17, together with details of progress against CSFs for 2015/16

3.15 Sickness Absence Monitoring

3.16 It is pleasing to note that there has been a decrease in the level of sickness absence on the previous year, from 7.95 days per FTE to 7.78 days per FTE. 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, and there has been no improvement since the previous quarter.

3.17 Monitoring of sickness absence shows that 57.7% of all sickness is long term absence for the Financial Year.

3.18 Significant Partnerships

3.19 The Council classes its significant partnerships as:

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

3.20 A system is in place to assess the level of significance of all council partnerships, to provide a systematic means of identifying which partnerships are of the greatest significance to the Council and therefore require regular monitoring and scrutiny. Reporting to Scrutiny on individual significant partnerships is by exception only. This ensures that all significant partnerships continue to be monitored but that Scrutiny is focused on areas where there are concerns/risks of failure.

3.21 Partnership Score Cards are completed by the Responsible Officer for the Partnership, in conjunction with the Lead Member, on an annual basis. A scoring mechanism is used to provide a RAG (Red, Amber, Green) status for each partnership to facilitate exception reporting. The results of Annual Review for Significant Partnerships for 2015/16 is attached at appendix 4 and this shows that two partnerships, the Groundwork North Yorkshire Partnership, and Welcome to Yorkshire Partnership are showing as ‘amber’ at the current time.

3.22 In relation to the Welcome to Yorkshire Partnership, whilst the RAG status is showing as amber, this relates to confirmation which is awaited in respect of funding, therefore the level of concern is low.

- 3.23 In respect of the Groundwork North Yorkshire Partnership, the ongoing poor performance of Groundwork Pride which has made losses for the second year in a row is a matter of more significant concern

4.0 RECOMMENDATIONS

- 4.1 Members are recommended to:
- (i) Note the results of the Performance Indicators for 2015/16
 - (ii) Note the good/satisfactory levels of performance being achieved by services at the current time
 - (iii) Note the performance against the Critical Success Factors for 2015/16
 - (iv) Approve the Council's Critical Success Factors for 2016/17
 - (v) Note the results for the monitoring of the Council's Significant Partnerships for 2015/16
- 4.2 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, Scrutiny may wish to call in matters for further examination.

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

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

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