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## SCRUTINY COMMISSION – 27TH FEBRUARY 2008

### JOINT REPORT OF THE CHIEF EXECUTIVE AND DIRECTOR OF CORPORATE RESOURCES

#### COMBINED PERFORMANCE QUARTER 3 - October-December 2007

##### Purpose

1. The purpose of this report is to highlight, at the end of the third quarter of the year, issues on both the revenue budget and key performance indicators where performance is below target.

##### Background

2. This report seeks to combine the monitoring of the revenue budget with key performance indicators. It follows the format established at last quarter. This approach will be further developed and refined as part of the development of the future single performance management framework in response to CAA and the new national performance regime.
3. It is intended to report progress to Cabinet on 3rd March and the comments of the Commission will be reported at that meeting.

##### Performance Update

4. This report sets out the current progress, forecast and risks against:
  - Annual Plan/ High Priority Medium Term Corporate Strategy Commitments/Targets
  - Annual Plan Performance Indicator targets
  - Local Area Agreement Targets
  - Medium Term Financial Strategy

and highlights areas of concern which may require further action between now and the end of the financial year.

5. Four Appendices are attached to this report:

**Appendix 1** shows the commitments included in the Annual Plan commitments and MTCS commitments for each department (excluding those which are monitored through the LAA).

**Appendix 2** contains a forecast Annual Plan Performance Indicator Dashboard which illustrates the current forecast position against targets for the year end within the Annual Plan.

**Appendix 3a** contains the latest position and risk statement for the Local Area Agreement.

**Appendix 3b** contains a detailed list of LAA indicators at significant risk of not achieving the end of year target.

**Appendix 4** sets out the position on the Revenue Budget at period ending December 2007.

### **Annual Plan Commitments and High Priority MTCS Targets- Appendix 1**

6. The commitments in the appendices are arranged by department setting out the corporate objective to which the target relates, identifies the current perceived risk and includes an explanatory commentary. The risk rating used is the same as that in the Local Area Agreement to achieve a consistency of approach.

7. Responsible officers have been asked to identify if a target or commitment is:

**Green** On trajectory and within acceptable tolerances

**Amber** Off trajectory and outside acceptable tolerances but with prospects for recovery with remedial action

**Red** Off trajectory and so far from acceptable tolerances, there is little prospect that remedial activity will get indicator trajectory back on target

The summary overview of Annual Plan Commitments is as follows:

**Green** 68 (77%)    **Amber** 18 (20%)    **Red** 3 (3%)

For High Priority Medium Term Corporate Strategy (MTCS) Targets  
(Excluding targets which also form part of the LAA)

**Green** 22 (74%)    **Amber** 7 (23%)    **Red** 1 (3%)

Details of those commitments and targets in Annual Plan and MTCS marked as 'Red risk' are set out in the table below together with a comment on progress.

<b>Commitment</b>	<b>Responsible Officer</b>	<b>Red/Amber/Green?</b>	<b>Progress to Date, Explanation for any Shortfall and Corrective Action (Include Latest Data Where Required)</b>
Continue to work closely with the Department for Work and Pensions to maximise the levels of income for older people. In particular, we will increase the take-up of benefits such as Attendance Allowance, Housing Benefit, and Council Tax Benefit.	Sheila Rochester	Red	Good progress is being made on strengthening partnership working around benefits claimed by older people and significant response to local publicity campaigns has been received. Unfortunately the targets for the local area agreement are behind schedule as more people are stopping claiming than we had anticipated in the trajectory

Work with our partners to ensure that overall crime levels are reduced in higher crime areas.	Phil Hawkins	Red	Crime has continued to be reduced in Charnwood, Hinckley and Bosworth and North West Leicestershire with overall reductions compared with last year of 14%, 16% and 8% respectively against BCS comparator crime targets. However it is classed as red because the 3 year reduction targets due to end in March 2008 are unlikely to be achieved due to poorer performance last year.
Aim to reach Level Three of the Equalities Standard by December 2007.	Barry Davies	Red	A Peer Review confirmed that further work needed to achieve Level 3. An action plan has been drafted and endorsed by CMT. The Equalities Board will set a new target, expected to be between 9 and 12 months, when finalising the action plan at its next meeting.
Top quartile public satisfaction with the Council.	Brian Roberts	Red	The Council's performance was in the bottom quartile, based on the MORI survey. An Action Plan has been developed which will address specific issues.

**Annual Plan- Performance Indicator Dashboard Forecast year end 2007/08 - Appendix 2**

8. A new “dashboard” approach to presenting performance information for the Annual Plan was adopted for the first time for 2006/07 and has been adopted for quarterly monitoring. The dashboard has been updated to show, based on the best information available at this moment in time, how the year end position against targets is likely to appear. We have also included comparator data for 2006/07 which has now been published by the Audit Commission.
9. It should be noted in relation to the comparator information, that Performance data for all England local authorities in 2006/07 has been used, instead of the CIPFA “family groups” which have been used in previous years. Only the indicators for ‘Older People, Adults and Carers’ use comparator data from CIPFA, as the Audit Commission does not publish comparator data for these indicators. The “All England” group is used by the Audit Commission to judge comparative performance in assessments; we have therefore adopted their approach for consistency and so that the likely position in any assessment is properly understood in monitoring. The relative position will therefore appear different to earlier dashboards.
10. Those indicators which are likely to under perform by more than 10% are shown with a dark red dot, those forecast to under perform by a smaller margin by an amber dot. Where a target is likely to be met or exceeded, a green tick is shown, two ticks where performance is likely to exceed target by more than 10%. Commentary has been requested for likely under performance and where performance is forecast to target by more than 10%. Overall estimated corporate performance for year end 2007/08 from the third quarter position shows that 70% of indicators are improving, 37% are in the top 25% of authorities, and 68% achieved or exceeded their targets

### **Local Area Agreement Performance Appendix 3 a & b**

11. This is the penultimate quarter of reporting for the current LAA with LAA 2 reporting being implemented for 2008/09. Appendix 3a lists all current indicators by theme and risk rating as at the end of December 2007. The risk assessments are based on the reporting of a county wide cumulative figure of achieving the end of year target milestone.

There are currently 136 indicators in operation and a summary overview is as follows:

Green 90 (66%)      Amber 15 (11%)      Red 16 (12%)

12. There are 15 (11%) where data collection has not yet taken place either due to problems with data recording or due to large gaps between data sets being collected. It is unlikely that any of the indicators where data collection problems have arisen will be chosen as priorities for the new LAA. A further 9 indicators that have been introduced this year where targets and measurements are still being developed.
13. A detailed list of all the indicators with a current risk status of red is attached as Appendix 3b with reward targets highlighted. Of the 16 indicators listed, 10 (63%) have improved performance from the previous quarter with only 2 (13%) showing a negative trend in performance.

### **Revenue Budget – Monitoring**

14. The latest budget monitoring position is set out in the attached report of the Director of Corporate Resources (Appendix 4), based on the pattern of income and expenditure over the first 9 months of this financial year. The exercise indicates a forecast net underspend of £6.4m (2.2%), which reduces to £5.3m (1.8%) after potential carry forward requests.
15. All departments' budgets show 'green' traffic lights. There do not appear to be any significant implications on performance targets at this stage.

### **Equal Opportunities Implications**

16. There are specific performance measures within the reporting schedules which relate to equal opportunities.

### **Arrangements to Secure Data Quality**

17. Year end estimates and management commentary are based on currently available information and have been verified, considered and signed off by DMTs or LAA Block Leads as appropriate.
18. The forecasts can therefore be considered reliable, within the limitations of the currently available information in which they are based, performance/data variation in the final quarter may affect the year end outturn position.

**Recommendations**

19. Members are asked to note the position shown in the attached schedules and consider whether any further information is required and what comments if any they wish to submit to the Cabinet.

**Background Papers**

20. Performance Data set out in the appendices to this report

**Officers to Contact :**

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