



OVERVIEW AND SCRUTINY BOARD

DATE

26th July 2011

MONITORING PERFORMANCE

Wards

All

SYNOPSIS

At the meeting on 21st September 2010, Overview and Scrutiny Board (OSB) agreed an updated set of performance indicators (PIs) comprising of key national and local performance indicators and asked that these be reported quarterly for monitoring by the Board, on an exception basis. The report includes the 4th quarter status on:

- Financial, HR, Electoral Registration and Contact Centre PIs,
- The progress on reporting key PIs contained in the council's Local Area Agreement and Community Strategy.

CONTRIBUTORS

All Departments/FCS
(Communications &
Policy Division)

RECOMMENDATION(S):

The Board is asked to consider the report.

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NEXT STEPS

Any comments or recommendations will be submitted to the relevant decision makers for consideration.

Fourth Quarter Monitoring: FCS and Corporate Pls

1. Background

- 1.1 Key performance indicators are monitored each quarter as part of the council's performance management system. This report contains the key corporate and financial indicators as agreed by OSB in September 2010.

2. Fourth Quarter Monitoring Report

- 2.1 The attached tables in the Appendices are the fourth quarter (January to March 2011).
- 2.2 The report uses traffic light colour coding to indicate performance.
- Green signifies at or above targets, amber is below target but within a reasonable tolerance level (e.g. above last year's performance) and red is outside the tolerance level. The report structure focuses on monitoring indicators by exception (i.e. red/amber, where performance is below target). This applies to all areas of the report excluding sickness absence and the corporate totals, which are provided in full.
 - The report uses year to date (YTD) actual performance compared to the target set for the year. The trend will show 'improving', 'not improving' or 'static' based on year to date (YTD) actual compared with the performance for the same period in the previous financial year.

3. Financial Indicators

- 3.1 The attached Finance Performance Indicators (Exceptions) Report identifies those indicators that are below target and which are marked as red or amber. The report will also show where information on an indicator is not available. The text below provides greater detail on causes and corrective actions.

Business Support

- FCS 010 Weighted average rate of cost of borrowings below the average 7 day LIBOR rate (%) – This is not colour coded as there have not been any borrowings undertaken in 2010-11.

FSB - Corporate

- FIN 063 Payments made by BACS as percentage of total - The performance for 2010/11 was 62.02% which was marginally below target (63%) but is above the 2009/10 outturn of 60.9%. In March there were: 3,752 BACS payments (£88.89m) and 2,645 cheque payments (£7.04m).

H&F Direct

- BV079bi Housing Benefit overpayments recovered as percentage of those deemed recoverable in that period – In March the 2010/11 performance outturn was 44.2%. This is below the performances reported last quarter (53.25%) and the tough target set ahead of the recession of 75%.

The impact of the recession and the establishment of a project team to review the outstanding / suspended housing benefit cases, fraud referrals, and change of circumstances are resulting in large overpayments. This has led to the housing benefit debts increase from £1.3m in Q3 to £2.2m in Q4. This resulted in a lower percentage performance for this indicator although the amount of money recovered has increased.

This, along with over 25% of the debt has to be recovered from ongoing benefit payments, at minimal amounts, the impact will continue to be felt for the foreseeable future.

- BV079bii Housing Benefit overpayments recovered as a percentage of those deemed recoverable in all years - performance was 18.13%, below the target of 25%. The impact of the recession continues to make recovering overpayments more difficult and the increase in the total value of overpayment debt will continue to impact on this performance for the foreseeable future.
- NI 181 Time to process housing benefit and council tax benefits - This was a new indicator for 2009/10. The performance data is now reported by DWP but there is a significant delay in publishing results and the 2010/11 outturns are not yet available. To address this, the report includes a year end estimate and will advise on the formal result when released by DWP. Official figures have recently been released for H&F's quarter 3, which give the outturn for the year to December of 33.8 days slightly higher than the (32.7 day) estimate previously reported.

The Benefit Service has produced an estimate of performance for Q4 based on the published methodology. The table shows the performance as at 31st March as being 32.7 days. This performance falls short of the 2009/10 outturn (15 days) and the target (14 days).

The Benefit Service has seen a significant increase in workloads over the last year due to the recession, at the same time as having reduced headcount and operating costs. The service has recently implemented a number of projects to automate processing & improve performance but the results of these changes are not likely to be reflected in this indicator until Q1 2011-12. These projects include a risk based approach to assessing new claims in conjunction with the DWP & providing residents with a facility to make benefit claims on-line.

Revenue

- BV009 Council Tax received in the year – The performance for quarter 4 stood at 95.46% at the end of March, which was marginally below target (95.6%). This represents good performance, particularly given the difficult financial situation facing some residents. However work to maximise collection is continuing.
- BV010 Business Rates received in the year – The performance for the year to 31st December stood at 94.28% at the end of March, this is below target (97.80%). The reasons for this are as originally reported in Q2, that:
 - The financial impact that the recession is having on the ability of businesses to pay their bills is making collection more difficult.
 - The opening of Westfield increased the collectable debt from £122m to £173m. Although the level of business rates collected has increased, in percentage terms (the amount paid as a percentage of the collectable debt owed) is below target set in 08/9 prior to Westfield and the recession.

4. Sickness Monitoring

- 4.1 Corporately, the position on sickness absence in this quarter is 7.7 days lost per member of staff, which remains better than target (7.8). When leavers are excluded, the corporate absence figure for current employees is 6.2 days, although slightly higher than last quarter, it remains better than target (6.5).
- 4.2 Community Services – Management actions, supported by HR, have seen continued improvements in the level of sickness absence, from those in earlier quarters. By March the sickness absence level had been reduced to 8.8 days from that in December (9.5), although it remains higher than target (7.8 days). When considering current employees only, the level of sickness absence has significantly improved to 6.7 days, from the position in December (7.3) and remains only slightly higher than target (6.5).
- 4.3 Environment Services – In March sickness absence was on target at 7.8 days although this was a slight increase from December (7.3). The level for current employees saw an increase from 6.5 days in December to 7.2 days in March, which is above target (6.5). The increases are predominantly related to one service area and are being robustly managed.
- 4.4 Finance & Corporate Services – In March sickness absence was on target (7.8 days) although the level had increased very slightly from 7.7 days in December. When considering current employees only, there was an increase to 7.0 days (from 6.9 days in December), which was 0.5 days higher than the target (6.5 days). Last quarter's report advised that further negative impact was likely in this quarter, due to a number of major reorganisations taking place at that time and despite absence continuing to be robustly managed.

- 4.5 Residents Services – Sickness absence has decreased to 8.2 days in March from last quarter’s level (8.5) but is higher than target (7.8 days). When considering current employees this has significantly reduced to 6.0 days, from last quarter’s level (8.5) and is better than the target (6.5).

Last quarter, RSD completed a number of major reorganisations which had a direct impact on the rise of absences in this area. These are now reducing, as a result of robust absence management following the implementation of these reorganisations

5 Electoral Registration - supporting local democracy:

- 5.1 Performance Indicators for Electoral Services were ambitious in their target setting, to reflect the importance attached to maximising voter registration. Both FCS 165a and FCS 165b exceeded their targets (95% and 98% respectively) with performances of 97.3% and 98.04% at the end of March.
- 5.2 FCS 165c (Rolling registration of home movers) this works towards achieving an 85% registration by September each year of all the home movers. At March, performance is well on track for achieving this target having completed 40.8% in the first few months in the first few months in the first few months.

6 Community Strategy

- 6.1 The Community Strategy is an annual report which will be available to be reported to OSB at the September meeting.

7 Local Area Agreement (LAA)

- 7.1 The performance indicators used in the LAA are reported at a variety of times and frequencies relating to their individual nature. A report on the progress of the LAA indicators giving their current status will be available and reported to the next meeting of OSB in September.

8 Contact Centre Performance

- 8.1 All Contact Centre performance indicators met their targets for 2010/11 and therefore there isn’t an exception report included.

**LOCAL GOVERNMENT ACT 2000 -
LIST OF BACKGROUND PAPERS**

No.	Description of background papers	Name/ext. of file holder	Dept. & location
1.	Performance Monitoring data	David Wilsher Ext. 2212	CPD, FD Room 39, HTH
2.	CorVu Performance System	Tom Conniffe Ext. 2195	CPD, FD Room 39, HTH

