

## **EAST AYRSHIRE COUNCIL**

**CABINET – 3 JUNE 2009**

### **2009/10 STATUTORY PERFORMANCE INDICATORS & REVISED PERFORMANCE INDICATOR FRAMEWORK**

#### **Report by the Executive Head of Finance and Asset Management**

#### **1. PURPOSE OF REPORT**

- 1.1 To advise Cabinet of the proposed arrangements for the establishment of a new suite of statutory national and local performance indicators for 2009/10.

#### **2. BACKGROUND**

- 2.1 The Concordat between COSLA and the Scottish Government has led to significant changes in the way that Councils are held to account for their performance. Many of the measures in the Concordat, including the development of Single Outcome Agreements (SOAs) are intended to strengthen local accountability and, ultimately, provide Councils with greater discretion over reporting on their performance against their local priorities.
- 2.2 The Accounts Commission issued a consultation paper inviting local authorities to comment on their proposals in respect of Statutory Performance Indicators (SPIs) for the financial year 2009/10. A report on this was considered by the Cabinet on 5 November 2008, at which time, the terms of a Council response were agreed.
- 2.3 The final Direction 2008 was published in February 2009, and represents a radical shift in approach. Copies of the Direction are available on request from the Performance, Development & Projects Manager. Most notably, the Commission has significantly reduced the prescribed range of statutory performance indicators that all councils must report.
- 2.4 In producing this year's Direction, the Accounts Commission has taken account of the responses to the consultation paper. It has also reflected on a number of issues within the local government environment, particularly the changes to scrutiny arrangements, the development of Single Outcome Agreements, and proposals for the next stage of the Best Value audit regime.

#### **3. THE 2008 DIRECTION**

- 3.1 The Commission wishes to support councils in taking a more rounded approach to public performance reporting and demonstrating economy and efficiency in the delivery of services.
- 3.2 Whilst there is a reduced number of statutory performance indicators, the Commission wishes to see councils use "a greater range of information on":
  - Corporate issues, such as equalities and asset management, and how these impact on service delivery;

- Service cost and overhead management and how this drives more efficient performance; and,
- The impact made by front line services and how this relates to the service user and local communities.

3.3 The proposed 2008 Direction is more broadly drawn and flexible than in previous years. It consists of two elements:-

- Performance indicators that will be chosen by local authorities, covering key functions, which demonstrate how they meet their Best Value obligations and how they balance their national responsibilities with local priorities; and
- A reduced number of specified performance indicators on issues of particular interest to the Commission.

3.4 From their 2008/09 total of 58, the Commission has reduced the number of SPIs to 25 (see appendix 1 for the full list). Most of the indicators which remain are taken from the current list of SPIs and would ensure, as a minimum, that councils publish performance information on a range of corporate issues, revenue and service cost management, and front line services directly relating to service user experience. This will also ensure the continuation of some benchmarking with other authorities and comparisons with previous years' SPIs.

3.5 All Executive Directors, and the Executive Head of Finance and Asset Management, were requested by the Chief Executive to produce new 'local' SPIs in accordance with the guidance set out in the Direction 2008. Each department has proposed 6 indicators each, covering some of their key objectives for the coming year, giving a total of 24 indicators across the Council (the full list is set out in appendix 2). It should be noted that the initial list of 24 indicators may be expanded upon in the future to reflect the changing priorities of Executive Directors. For 2009/10, this provides the Council with a total of 49 national and local SPIs.

#### **4. REVISED 2009/10 PERFORMANCE INDICATOR FRAMEWORK**

4.1 The Direction set out by the Accounts Commission challenges local authorities to look beyond the 25 prescribed SPIs and determine their own performance reporting requirements, based on Best Value criteria. This can include existing performance information frameworks (such as the Community Care Outcomes Framework and CIPFA finance indicators), as well as qualitative assessments, other national standards and targets for service delivery, and local service priorities and objectives.

4.2 Additionally, the Accounts Commission is concerned with ensuring that local authorities make greater use of cost information to demonstrate that they are achieving the appropriate balance between cost and quality in service delivery as part of their Best Value performance management and public performance reporting obligations. The Commission believes that service cost information is important to stakeholders and citizens, providing additional context for the assessment of performance.

4.3 In tandem with these national developments, the Council is actively reviewing its local service related performance indicators as part of the Best Value and Community Planning Improvement Agenda (Improvement Plan 2: Performance Management). This exercise, which is still ongoing, has required service managers to question the validity and relevance of existing indicators, delete indicators that are unsuitable, and develop new indicators which better reflect strategic and operational objectives and stakeholder expectations. The end result of the exercise will be a revised suite of local service related performance indicators in addition to the 49 national and local SPIs, for all services across the Council.

4.4 In developing this new approach which will draw upon existing performance frameworks in accordance with the Accounts Commission guidance, the Single Outcome Agreement will play a central role. In line with the statutory guidance, all Single Outcome Agreement indicators are included in the Council's new Performance Management Framework. It is anticipated that this will provide a more comprehensive illustration of how the Council, in conjunction with its external partners, contributes to wider outcomes for the community.

4.5 The new performance management framework which is emerging from the various developments as outlined above, can currently be summarised as follows:

National SPIs	25
Local SPIs	24
Single Outcome Agreement indicators	122

4.6 In addition to the above indicators, the new framework will also include the revised suite of local service related performance indicators which is currently under development, as mentioned in 4.3 above. The indicators which emerge from this exercise will complement the sources above, and will be capable of being used by Services to manage their business by focussing on areas of key strategic and operational importance.

4.7 Whilst the new performance indicator framework encompasses a much broader range of information than the traditional SPIs have in previous years, it should be noted that Audit Scotland will continue to concentrate their end of year audit efforts on reviewing in detail only the 25 National SPIs. The wider framework will, however, be subject to a more general review to ensure that the overall approach adopted adheres to the spirit of the 2009/10 Direction.

4.8 Early indications are that Audit Scotland will examine the scope of indicators employed by councils to ensure that the coverage impacts on all service areas, always "having regard to economy, efficiency, effectiveness, the equal opportunities requirements and to contribute to the achievement of sustainable development."

4.9 Members will be aware that the Council is currently in the process of putting in place an electronic performance management system. It is envisaged that all indicators which make up the new framework will be migrated onto the system, where they will be updated, and contextual analysis added. The introduction of this system should result in a significant enhancement of the Council's approach to

performance management, offering the opportunity to develop our use of targets, to implement more systematic use of benchmarking and other comparative analyses, and so ensure continuous improvement.

## **5. FINANCIAL / LEGAL / POLICY IMPLICATIONS**

- 5.1 Publication of Statutory Performance Indicators is a legal requirement. The collection and publication of this data enhances the Council's accountability and facilitates comparisons between the standards of performance achieved by this Council in different financial years and with other appropriate comparators.
- 5.2 The changes to the SPIs in 2009/10 are related to a wider shift within Scottish Local Government to reduce the burden of external scrutiny and enhance local accountability. The Crerar Review of scrutiny proposed greater co-ordination between inspection bodies. With its recommendation that measures should be drawn from existing frameworks, the 2008 Direction responds to a key proposal of the Crerar Review.

## **6 RISK MANAGEMENT IMPLICATIONS**

- 6.1 Failure to implement a comprehensive Performance Management Framework could lead to sub-optimal performance and/or inefficient use of resources.

## **6. RECOMMENDATIONS**

- 6.1 It is recommended that the Cabinet:-
- (i) notes the reduced number of specified national SPIs for 2009/10;
  - (ii) approves the 24 local SPIs developed by departments as requested by the Chief Executive;
  - (iii) notes the ongoing development of the Council's broader performance management framework, to encompass new service-based indicators and Single Outcome Agreement indicators;
  - (iv) notes other work in progress in this area, most notably the development and roll-out of the Council's electronic performance management system; and,
  - (v) otherwise note the content of this report.

**Alex McPhee**  
**Executive Head of Finance and Asset Management**  
**21 May 2009**

### **LIST OF BACKGROUND PAPERS**

**Nil**

Any person wishing further information should contact Jim Farrell, tel.: (01563) 576223, or Robert Moore, tel.: (01563) 576110.

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## APPENDIX I

<b>2009/10 NATIONAL STATUTORY PERFORMANCE INDICATORS</b>	
	<b>Indicator</b>
1	Average number of working days per employee lost through sickness absence for a) teachers b) all other local government employees
2	Number and percentage of highest paid 2% and 5% of earners among council employees that are women
3	Number of council buildings from which the council delivers services to the public and percentage of these in which all public areas are suitable for and accessible to disabled people
4	Gross administration cost per benefits case
5	Cost of collecting Council Tax per dwelling
6	Current year income from Council Tax
7	Number of invoices paid within 30 calendar days of receipt as a percentage of all invoices paid
8	Condition and suitability of operational accommodation a) Proportion of operational accommodation that is in a satisfactory condition b) Proportion of operational accommodation that is suitable for its current use
9	Homecare
10	Number of attendances per 1,000 population for (a) Pools (b) Other indoor sports & leisure facilities, excluding pools in a combined complex.
11	Visits to and use of museums
12	The number of visits to council libraries per 1,000 population.
13	The percentage of planning applications dealt with within 2 months
14	Repairs to council dwellings
15	Number and proportion of the council's housing stock being brought up to the Scottish Housing Quality Standard by criteria
16	Total annual rent loss (from council dwellings) due to voids
17	Low demand and non-low demand housing stock: re-letting performance
18	Tenant arrears
19	Homelessness
20	Domestic Noise Complaints
21	Trading Standards consumer complaints and business advice requests received
22	Percentage of the road network that should be considered for maintenance treatment
23	Net cost per premises of refuse collection and refuse disposal
24	Percentage of municipal waste collected that was recycled and composted
25	Cleanliness index achieved

## APPENDIX II

### 2009/10 LOCAL STATUTORY PERFORMANCE INDICATORS BY DEPARTMENT

Department	Indicator
Neighbourhood Services	1. Grounds Maintenance: cost per hectare of land maintained (including CEC).
	2. The % of repairs appointment kept.
	3. Average End to end time taken to complete a repair, from the time that the repair is logged to completion of the job to the tenants' satisfaction
	4. The % of gas safety checks carried out within 12 months.
	5. Street Lighting Failure: the percentage of repairs completed within 7 days.
	6. Bridges: The number of council and private bridges not meeting the European Standard of 40 tonnes and the number that have a weight or width restriction placed on them, each expressed as a percentage of the total number of assessed bridges.
Educational & Social Services	1. Accessibility: (a) Number of people waiting longer than target for assessment per '000 population. (b) Number of people waiting longer than target time for service per '000 population.
	2. Social Enquiry Reports: (a) The number of reports submitted to the courts during the year. (b) The percentage of these submitted by the due date.
	3. Destination of school leavers (%): (a) Full-time higher education. (b) Full-time further education. (c) Training. (d) Employment. (e) Other known destination. (f) Destination unknown.
	4. Additional Support: Percentage of pupils with Individual Education Plans meeting targets.
	5. Supervision: (a) The number of new supervision requirements made in the year. (b) The percentage of children seen by their supervising officer within 15 days
	6. Adult Literacy: Number of adult literacy learners achieving intermediary outcomes as set in their Individual Learning Plans.
Corporate Support	1. Complaints: (a) Number of Customers expressing dissatisfaction formally. (b) % of formal complaints classed as "justified" following investigation. (c) % of formal complaints responded to within agreed time-scale. (d) % of formal complaints relating to any form of discrimination. (e) Number of positive comments received. (f) Number of improvements implemented as a result of complaints.
	2. Leavers in the last year as a percentage of the average total staff.
	3. Value of spend through PECOS as a percentage of council (non-pay) expenditure.
	4. Ethnic minority: (a) Percentage of the local population who are from an ethnic minority. (b) Percentage of the total workforce who are from an ethnic minority.
	5. Of the total workforce, the percentage who have declared they are disabled under the terms of the Disability Discrimination Act 1995.
	6. Non domestic noise complaints: (a) The number of complaints of non domestic noise received during the year: (i) Settled without the need for formal action. (ii) Requiring formal action. (b) For those in (a) (ii) above, the average time (calendar days) to institute formal action.
Finance & Asset Management	1. Energy Performance rating of buildings expressed in m2 (GIFA)
	2. Occupancy rates for office accommodation expressed as m2 (GIFA) per Full Time Equivalent
	3. Extent of operational portfolio expressed in m2 (GIFA)
	4. Average time to process change events.
	5. Average time taken to process new claims and change events.
	6. Average time to process new benefit claims.