

Agenda Item No: 6

Report To: EXECUTIVE
AUDIT COMMITTEE

Date: 13TH JANUARY 2011
1ST FEBRUARY 2011

Report Title: Corporate Performance Report (to November 2010) and
Direction of Travel

Report Author: Policy and Performance Officer



Summary:

Ashford Borough Council's Performance, as measured by the current batch of internal and external Performance Indicators, remains strong, although there are indications of short to medium-term pressures in areas directly related to external demand for services.

The Council is currently drawing up a reshaped Performance Management Framework, to demonstrate delivery of the Business Plan and allow Management Team to actively consider any issues related to the internal running of the Council.

Key Decision: NO

Affected Wards Potentially all, but none specifically.

Recommendations: **The Executive is asked to**

- **note the performance of the council between July and November 2010, as presented below on the previously agreed exceptions basis**
- **agree to receive full proposals on a new Performance Management Framework for the Council, incorporating those elements detailed in the Direction of Travel below, in time for implementation from the 2011-12 financial year**

Policy Overview: N/A

Financial Implications: N/A for this report

Other Material Implications: None

**Background
Papers:**

Performance Compendium Report, Executive 8th July 2010

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Report Title: Corporate Performance Report (to November 2010) and Direction of Travel

Purpose of the Report

1. The purpose of this report is to provide Members with information, and a brief commentary, on significant exceptions regarding the Council's Performance.
2. The report will also serve as an update on the Direction of Travel regarding strategic Performance Management within the Council; to provide information on current work in reforming the Council's Performance Management Framework to take account of changes implemented by the new Government, as well as reporting in accordance with the developing Five-Year Business Plan.

Performance

3. As with the Performance report presented to Members in July, key performance issues for the period July – November 2010 are reported on an exceptions basis, with commentary analysing the trends behind underperformance in this area (presented in a box below the relevant paragraph). All other Performance for the Council remains steady.
4. Increasing workloads, combined with reallocations of internal resource at the end of the last financial year have led to a slowing of response times for a number of areas dealing with correspondence.
5. Although performance elsewhere in Planning's Building and Development control units remain strong (i.e. the acknowledgement of Full Plans in a timely manner), pockets of underperformance have become apparent since the previous performance report - specifically with regard to response times for written correspondence. In October, the percentage of letters answered within 10 and 15 days by the Building Control Unit was 49 and 64 percent respectively. This emphasises a steady decline in response times in comparison with July, when the corresponding percentages were 70 and 89 percent.

Commentary

There is a proportionate relationship between increasing correspondence times in Building Control, and the workload seen in the department. When looking at the Total Number of Applications received by the unit, there was a rapid increase in applications over the second half of the calendar year – up to a peak of 148 in September – creating a backlog which has meant that correspondence times have suffered.

Moreover the rate of Housing Start-ups ballooned in March and April, doubling from the normal trend to around 100. This also added to the backlog of work seen by officers.

Both Housing Start-up and Application figures have plateaued in recent months, therefore it will remain to be seen if performance rallies accordingly.

6. Increasing volumes, combined with short-term reduced staffing numbers, have also been seen in the Customer Services Team. The percentage of calls answered on time by officers (for the purposes of this indicator a target set at two minutes) fell from 75% to under 50% between July and October. Consequently around 10% more calls were dealt with by the automated system over the corresponding period. There have been an average of 19,250 calls offered each month to the Contact Centre, which although down on the high of 25,000 seen in May 2010, is above average compared to previous years.
7. Further details concerning the call / visitor volumes and handling experienced by front-of-house officers can be found in the Housing Services Quarterly Performance Report, to be considered by members during this Executive meeting.

Commentary

The reasons behind the performance noted above were enquired of the relevant Head of Service. Higher than average sickness levels among Customer Service staff, as well as amended arrangements for the taking of leave, contributed to short-term shortfalls in staffing numbers. Slightly above-average call volumes may well have also played a part.

8. Pressure on the Benefits team to deal with the rapidly rising caseload was noted as a significant future issue for the Council in the July Performance Report. This is because increased numbers of claimants impacts upon uptake in other council services in the medium to long-term; thereby influencing wider council performance.

9. Pleasingly, although the Benefits Caseload is still increasing, it is at a slower rate compared to 2008 and 2009. From July to October of this year the caseload increased by just under 1%, which compares well with the same period last year where the caseload increased by 2.5%.
10. Wider information on the local Economy in Ashford can be found in the Local Economic Monitor (**Appendix A**).

Risks

11. A report on proposals for future Risk Management will be presented to the Audit Committee in February 2011.

Direction of Travel - Current Performance Landscape

From Government

12. The Department for Communities and Local Government has already announced the abolition of the LAA system, and with it the framework for National Indicators and the associated targets and reporting. However, to add to confusion, National Indicators are still to be collected (unless they represent an administrative burden) but at the time of writing have not been formally scrapped. The Government has, however, emphasised that it sees local residents and not Whitehall as the chief audience for the performance of the council; instead of top-down targeting, Performance will need to be displayed in the round, and in a way that is relevant and understandable to the largest number of local people. For Ashford delivery of the key outcomes of the Five-Year Business Plan will act as key performance measures in lieu of National Indicators.

Five-Year Business Plan

13. This has now been agreed as a strategic document by Management Team and Members, ahead of formal acceptance in February. The four key themes identified are currently being honed into Priority Plans, which will take the place of traditional Service Planning. These documents will set out the yearly outcomes and deliverables the Council will aim to complete to demonstrate delivery of the Business Plan to residents. This will form the basis for the external Performance Management Framework, and allow residents to plainly and simply see what the council has and has not done against the outcomes it set itself. Moreover Priority Plans will -
 - Encourage staff to appreciate that delivery of the Business Plan is a cross-council objective, not specifically related to traditional service silos.

- Identify those services which contribute towards the wider objectives, either through supporting lead services or by partnership outside of the Authority.
 - Allow all staff to see how they fit into the delivery of the Business Plan, even if they themselves are not involved in the lead service for a particular priority.
 - Maintain important continuity between the four priorities of the Business Plan and these Priority Plans which Management Team will be expected to demonstrate delivery against.
14. Priority Plans will be disseminated to services, through workshops and one-to-ones, to be completed during January 2011.
15. The Council's performance against the Business Plan will also be presented to residents within an Annual Report, to be compiled for the June following the end of each financial year.

Internal Performance Management

16. Under the initially-proposed methodology of the council's revised Performance Management Framework, Management Team will have responsibility for supplying (on a quarterly basis) appropriate management information with which to suitably brief senior officers and members on internal team management and workforce issues. This will take place in conjunction with wider risk management and financial monitoring.

Key 'Healthcheck' Indicators

17. There will be the opportunity to choose key indicators from either external or internal performance which best represent the 'Health' of the council once the Performance Framework is developed further. These indicators would demonstrate the Council's resilience in maintaining continued levels of service delivery.

Strategic Projects

18. As part of the Council's transparency agenda, Management Team has been charged with the regular collection of short briefings on the progress of those projects and partnerships that are deemed of strategic importance. Reporting arrangements have been built into the Management Team Forward Plan, alongside similar regular updates from the Business Change and Efficiency Team.
19. All of the above will be incorporated into a revised Performance Management Framework, to be agreed by members in early 2011 for implementation at the start of the next financial year.

Direction of Travel - Future Implications on Performance Monitoring

20. Over and above the changes detailed previously in revising the Council's own Performance Management Framework, there are a number of other developments for 2011 that will impact on the presenting of the Authorities' performance.

DCLG (and other Departments') Information Strategies

21. Each Central Government Department has released a list of key datasets that they need to collect. These are contributed to from a number of sources, including Local Authorities. In continuing to collect this data for Government – none of which is over and above information currently reported on – some of the data-gaps left by the anticipated loss of NIs will be closed. These lists are currently out for consultation, before a comprehensive list and collection methodology is released before the new financial year. ABC's response to this consultation will go before Management Team in January.

External Audit

22. The Audit Commission will remain and continue to fulfil its obligations to Local Government until March 2011. This will include carrying out limited reviews of the council's finance and value for money. An initial meeting for the next round of Audit Commission work will take place in Early 2011. This Value for Money conclusion will include deliberations on financial resilience, efficiency, managing financial risks in the current climate and prioritisation of resources. The Commission will also continue to look at issues of Data Quality, which does include the validity of data held within Performance Information. All of these conclusions, alongside any other external audit that may be compiled in future years, will be fed through the revised Performance Management Framework to Members and Management Team.

Sector Self-Regulation (assisted by Local Government Improvement and Development)

23. The Local Government Group consulted over the summer on a proposal to replace some of the benchmarking and comparison role of the NIs with an inter-council regulation framework to drive improvement from within the sector, with authorities responsible for their own performance. A final response and offer is not available for this consultation at the time of writing, however it is envisaged that informal benchmarking will be facilitated online. A peer review system is also proposed.

Reporting

24. Although all of the above areas come together as inputs to a future Performance Management Framework, the way in which the information they contain will be reported will differ depending on the audiences. Audiences for council performance information fall into the following categories –
 - The Public
 - Members
 - Management Team
 - Staff
25. Reporting to the above categories can be broadly drawn together under Internal and External Performance Reporting.
26. External Performance report will be strictly based around demonstrating delivery of the Business Plan, through information on outcomes brought together regularly through Priority Plans, and updates against the Council's strategic projects.
27. Such an approach would allow for top-level reporting of key performance highlights from those individual priority streams as laid out in the Business Plan, as well as a simple tracking system for ensuring that key stakeholders are aware of whether integral projects are on or off track (and commentary / reasons for any changes). Further details would sit behind this reporting, to be available if required.
28. Internal Performance Management is exemplified by the information and indicators that Management would need to bring together to demonstrate that services are operating at a reasonable level and that there are no major areas of concern with regards the workforce or workloads. This covers data collection for central government, benchmarking against value for money and unit costs vis-à-vis other authorities, and auditing by external and internal sources when carried out.
29. The outputs from a Performance Management Framework (what each of the four audiences would see) would therefore be different.
30. Initial proposals would see each category receive information on specific areas of the overall Performance Framework as such –
 - **The Public** – An Annual Report drawing together information specifically on the delivery of objectives against the Business Plan, through key project initiatives and wider outcomes as catalogued in Priority Plans.

- **Members** – Performance Reports on a quarterly basis, primarily based on giving delivery updates for Priority Plans and key projects. This would be coupled with a brief summary of any internal performance issues, on an exceptions basis. Where appropriate, these may be flagged under a small number of ‘Healthcheck Indicators’.
- **Management Team** – To be charged with pulling together appropriate internal management information (possibly through the 1 on 1 process with the Chief Executive). These would be compiled and fed back with a commentary on any issues to the Performance Officer, for reporting to members as above.
- **Staff** – Priority Plans will feed down to Individual and Team Plans and the Appraisal process.

Conclusions

31. Ashford Borough Council’s Performance, as measured by the current batch of internal and external Performance Indicators, remains strong, although there are indications of short to medium-term pressures in areas directly related to external demand for services.
32. The Council is currently drawing up a reshaped Performance Management Framework, to demonstrate delivery of the Business Plan and allow Management Team to actively consider any issues related to the internal running of the Council.
33. If the Executive agrees to receive it, the updated Framework will be reported to the members in the new year, following the conclusion on internal consultation on appropriate measures of success, coupled with adherence to the new performance landscape as contributed to be central government demands and future inspection regimes. This Framework will begin to be reported upon from the start of the 2011-12 financial year.

Portfolio Holder comments

34. To follow

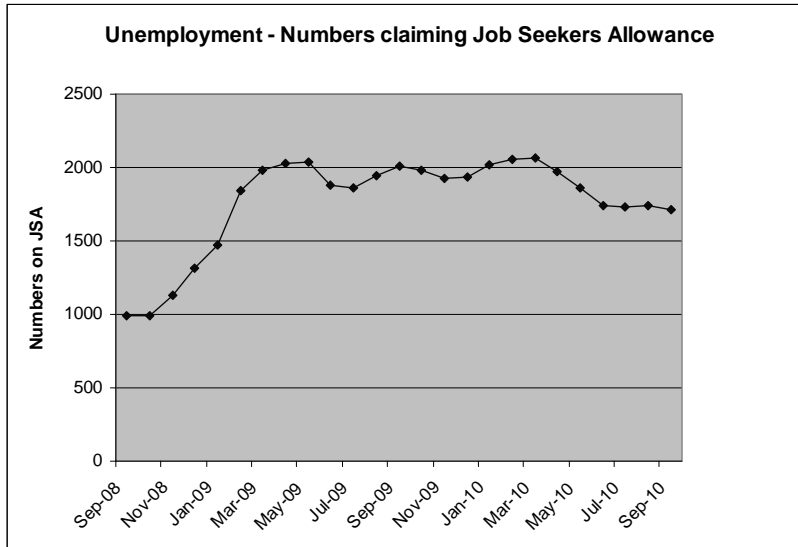
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Ashford Borough local economic monitor- Oct 2010

- **Numbers claiming Job-Seekers allowance (JSA)**

NB Working-age population = 67,100 (2007)



JSA has fallen dramatically in the last few months, mirroring the national trend. It now stands at 2.5% of the working population, as opposed to 3.8% nationally.

- **The Business Environment – Chamber of Commerce**

The construction and manufacturing industries are still the key areas being affected.

Town Centre Vacancy Rates

Survey Date	Oct 2009	Feb 2010	May 2010	August 2010
Number of Units Vacant	35	43	41	43
% of units vacant	11%	13%	13%	13%

Town Centre vacancy rates are calculated from a sample size of 319 properties.

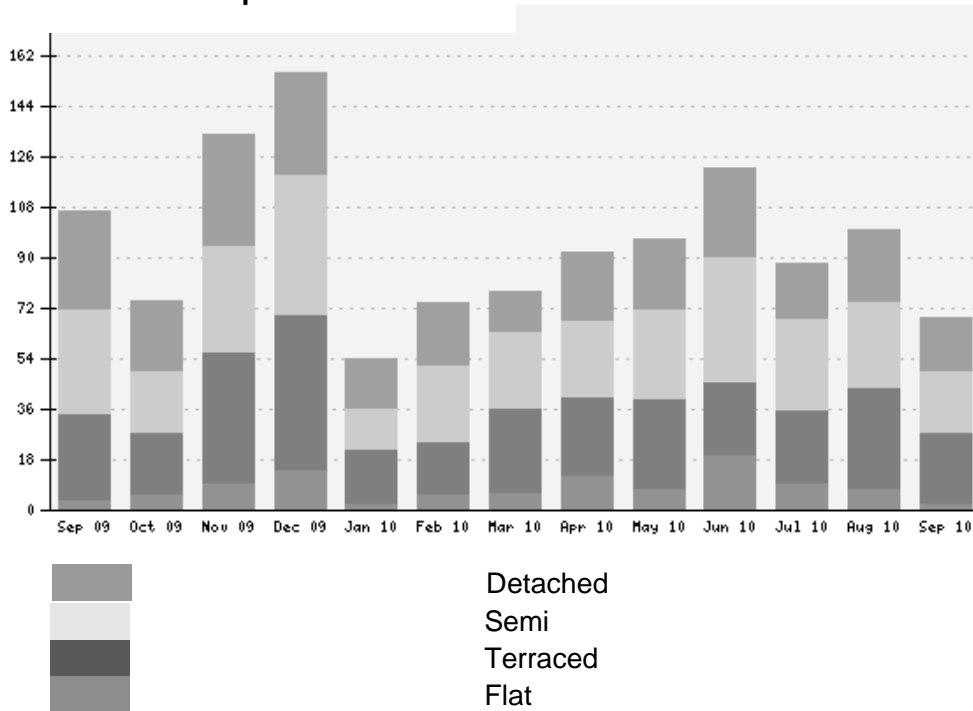
- Housing Startup and Completion rates (source = Building Control)**

Housing Startup and Completion rates remained steady during 2010. –

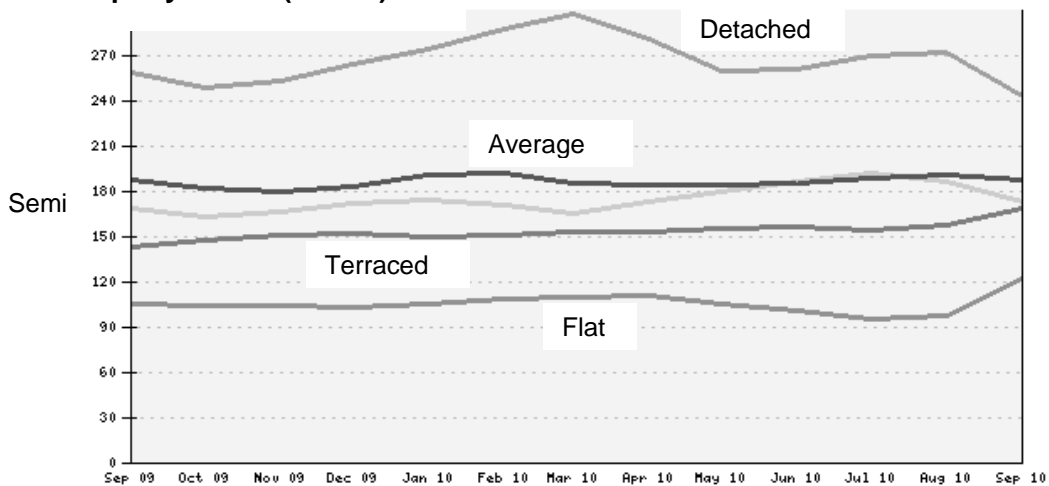
Month	Startups	Completions
July-10	41	23
Aug-10	42	22
Sept-10	47	75
Oct-10	25	50

- The Housing Market September 2009 – September 2010**

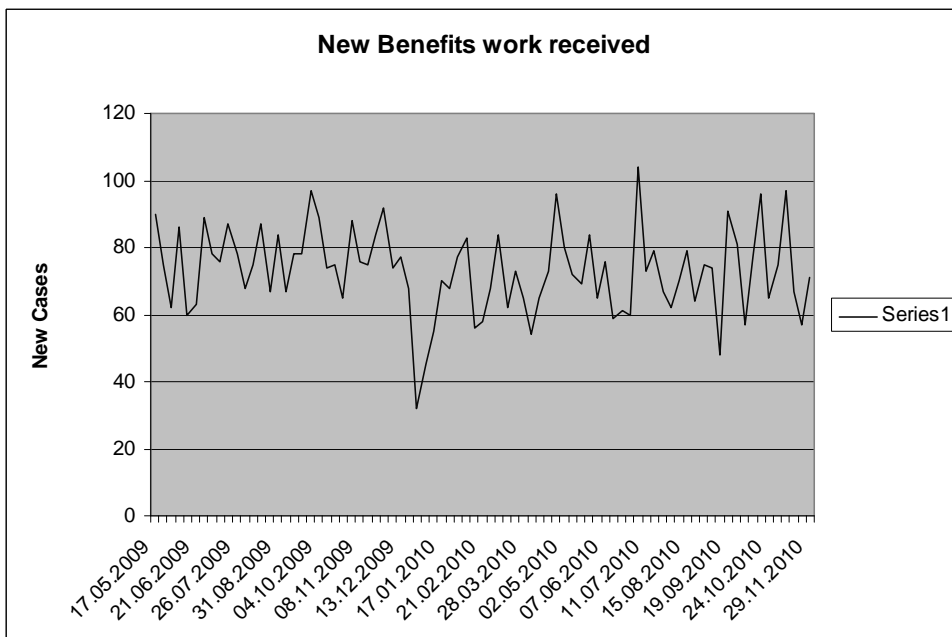
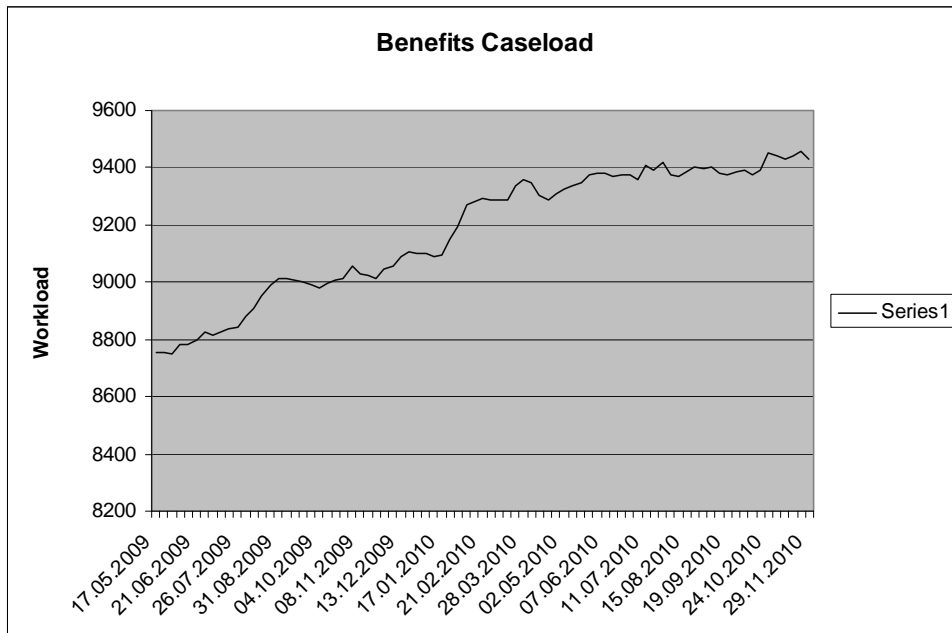
Number of Properties Sold



Property Prices (£'000s)

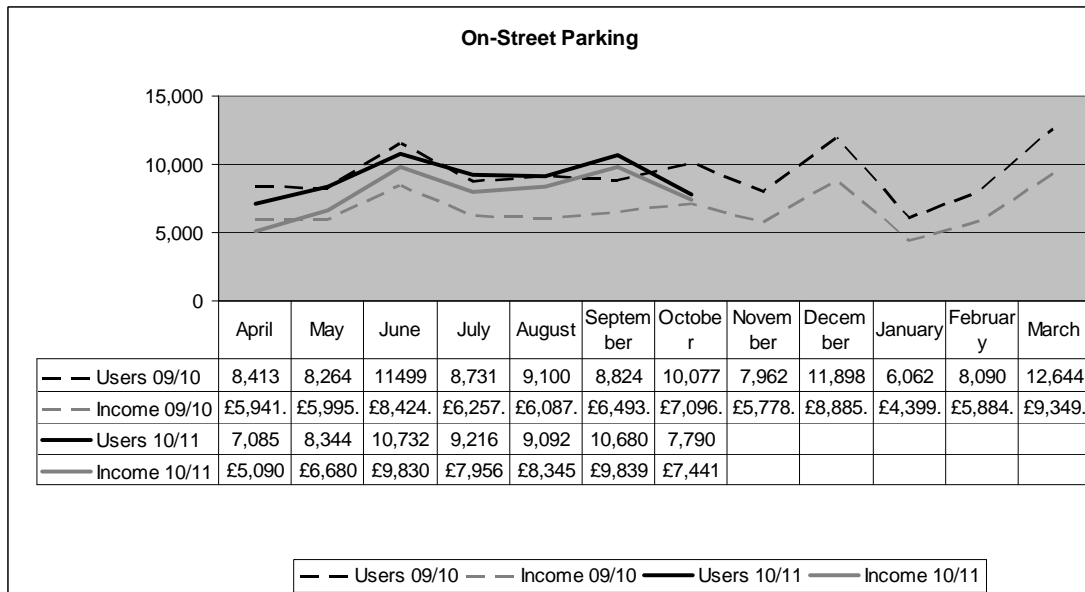
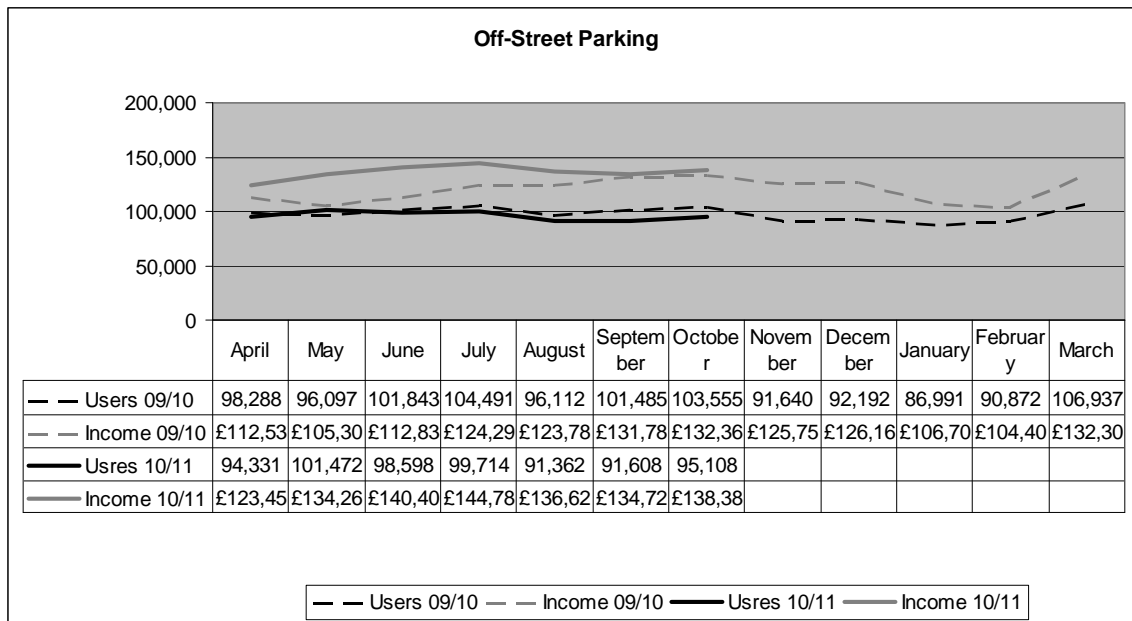


- **Benefits Pressure levels- Changes in Benefits Caseload**



The steady increase in the benefits caseload is predominantly down to the increase in unemployed and financially insecure members of the Ashford working population, and the Revs and Bens team has brought in extra resource with which to deal with the rising caseload.

- **Car Park Usage**



High vehicle numbers In June and September 2010 can be explained by strong returns in enforcement numbers on Church Road and Queen Street respectively.

- **Planning and Development**

Time period	ABC Land Charge Searches	Planning Apps - Major	Planning Apps - Minor	Planning Apps - Other
Aug 10	145	2	22	105
Sept 10	166	4	44	78
Oct 10	170	5	36	79