

Performance Indicators (PIs) – Guidance Notes for Officers

This guidance has been produced to assist officers in the production and use of performance information. It is not exhaustive, but it should give the basic information required for day to day management of performance information.

If you have any queries relating to performance management or PIs, don't hesitate to get in touch. Graham Wilkie (x1614)

What are PIs?

PIs are measures of how well a service is performing against its aims and objectives. Good performance information helps to prioritise what gets done, identifies areas of poor performance at an early stage, enables comparison with other authorities and demonstrates value for money. There are different types of PIs, which are collected on the PI database:

Best Value Performance Indicators (BVPIs): These are statutory indicators prescribed by Government, which we are obliged to report on. They cover the majority of services the Council provides and enable comparison with other Authorities. BVPIs have to be produced in line with the latest Government definitions (available on the PI database) and published annually in the Best Value Performance Plan (BVPP).

Local Performance Indicators (LPIs): As BVPIs do not cover all service areas or do not adequately establish how well services are performing, it is good practice to develop local measures of performance (LPIs).

Key Performance Indicators (KPIs): KPIs measure progress against key priorities for the Council contained in the Corporate Plan and can be either BVPIs or LPIs.

CPA Indicators: These indicators have been selected by the Audit Commission and will be used to inform CPA judgements on the Council and its services.

Data Quality

Performance information has become increasingly important, both for the effective management of services and for judgements made by Government. We are required to demonstrate to the Audit Commission that we meet data quality standards.

It is, therefore, essential that all performance information meets data quality requirements and is timely, accurate and reliable:

On Time: To ensure effective reporting and performance management, all PI information should be submitted on the PI database as soon as possible. Whether the PIs are reported monthly, quarterly or annually, it is the officers responsibility to ensure PI data is submitted as soon as possible. Failure to do so will be reported to CMB and any gaps in PI information will be apparent in reports to members.

Accurate & reliable: PIs should be as accurate as possible. Before submitting PI data, arithmetic should be checked, figures used in calculations should be agreed to supporting information or systems, and BVPI definitions (where appropriate) should be checked. It is good practice to get someone in your team to check your figures before submitting them.

Supporting Information: Any working papers, spreadsheets etc. to support the calculation of PIs should be attached to the PI database. Any paper evidence (report prints, statements etc.) should be held on file. ***Supporting evidence for PIs must be retained for at least 3 years, for audit purposes.***

Performance Reporting

Information on the PI database, which is available to all staff and members, is fed into quarterly performance reports that are reviewed by CMB, Executive and Scrutiny. These reports will be made available on the bulletin board under “Best Value”.

Business area reports cover all PIs for each area and show trends from previous years, quarterly and year-to-date figures, and targets. A traffic light system is used to show whether or not performance is on target. Hyperlinks are given for important PIs (including KPIs and CPA indicators) that link to more detailed analysis and charts.

The performance action plan provides updates for PIs that have shown a reduction in performance or missed target. CPA indicator and KPI reports are also available.

All performance reports have a comments box for contextual information. This is especially useful to explain reasons for under-performance or issues affecting outcomes and provides stakeholders with a better understanding. ***It is important that officers provide explanations for performance in the “comments” section of the PI database when submitting PI information.***

Year-end Timetable

The year-end timetable is crucial, as we are statutorily obliged to publish our BVPIs and other performance information in the BVPP by the 30th June each year. To ensure compliance with this deadline and to provide time for Executive and Council approval of the BVPP, ***all final outturn PI information must be submitted on the PI database (with completed verification sign-off sheets) by the 30th April 2007.***

All BVPIs are subject to external audit and are selected for audit on a risk basis. As part of our assurance arrangements, Internal Audit will carry out an audit of all high risk PIs.

Year-end verification sign-off sheets are required for each PI, an example of which can be found at Appendix 1. They ensure that calculations are checked, agreed to supporting evidence and in line with definitions. They also provide an opportunity to set future targets and get them signed off by the relevant Strategic Manager and Portfolio Holder. Signed copies should be returned to the Performance Management section.

Benchmarking

We are members of the Daventry Benchmarking Group, which allows us to share PI information and best practice with 20 other similar sized district councils.

If you have a quick question that you would like to ask other authorities in the group, it can be shared on the group’s website. Questions are usually well responded. If you would like to post a quick question or if you require a larger benchmarking exercise, please contact the Performance Management section for assistance.

Other Performance Information

Performance information comes in many different forms and much of it will not be captured on the PI database. While it is not intended that the PI database should record management information, all relevant PIs should be collected here. ***If there are any LPIs that are currently collected that measure how well a service is performing and are not included on the database, please inform the Performance Management Section who will set up the PI on the database. The Performance Management Section can also assist in developing new LPIs for services.***

Support

We are here to help. If you require any guidance or assistance, don't hesitate to get in touch. Things you may require help with or would like to discuss, include:

- Using the database
- Analysis
- BVPI definitions
- Benchmarking / comparison with other authorities
- Local performance reports
- Developing LPIs
- Target setting
- Review of PI collection arrangements / systems

Graham Wilkie (x1614)
Rose Outen (X1418)

Useful Links

1. ***IDEA Performance Management Resource***. This site brings together the information found in the performance management guides for officers and councillors, as well as a range of resources to support performance management.
www.idea-knowledge.gov.uk/idk/core/page.do?pageId=76209
2. ***Audit Commission***. This site provides latest news and guidance for BVPIs and has a library of LPIs to choose from. Value for money (VFM) profiles and historical and comparative PI data are also available.
www.audit-commission.gov.uk/performance/index.asp?page=index.asp&area=hpbvpi
3. ***Bulletin Board***. Useful information is provided under the “Best Value” heading. This includes guidance notes, quartile information for target setting etc., Best Value Performance Plan, and performance reports.