

Report

Subject : Performance Monitoring – Review of the Fourth Quarter and Annual Review
Report to : The Cabinet
Date : Wednesday 13 June 2007
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Cabinet Member : The Leader - Councillor Paul Sample

Executive summary

The aim of this report is to provide Cabinet with a high level view of where services need to improve and what actions are proposed to reduce risks to the Council.

It has been produced following an analysis of budget monitoring information, performance indicator information and progress reports on key themes in the Corporate Plan.

1 Matters for consideration

Cabinet is requested to:

- (i) Review updates on areas of concern identified in the fourth quarter (October – December 2006);
- (ii) Note new areas of concern and improvement from the final quarter (January – March 2007)
- (iii) Receive an annual review of performance for the year;
- (iv) Invite Scrutiny to consider any issues of particular concern

2 Introduction and Background

- 2.1 This report analyses monitoring information from budgets, performance indicators, progress reports against the Corporate Plan, Risk Registers and miscellaneous reports for the final quarter period of the last financial year and reflects on the year as a whole. All detailed monitoring reports are available as background papers on request from the Democratic Services Unit.
- 2.2 This summary is designed as an exception report identifying for all Councillors areas of concern where services need to improve and what actions are required to reduce risks to the council. The issues and actions have been categorised by risk type and added to the Corporate and Portfolio Risk Registers.



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CUSTOMER SERVICE EXCELLENCE

Awarded in:
Housing Services
Waste and Recycling Services



3 Progress on Risks identified during the Third Quarter (October – December 2006)

3.1 Appendix 1 provides an update on progress from the third quarter of the year.

4 Current risks identified during the Final Quarter (January – March 2007)

4.1 Financial - there is a separate report elsewhere on this agenda that deals with all variances in the council's budget to outturn and provides commentary on the material variances.

4.2 The major risk arising is that the 2007/08 budget includes a recurring saving of £215,000 from premium payments, which has not yet been actioned. There is a high risk that this saving will not be made and the Cabinet needs to consider alternative ways of compensating for this.

5 Improving Performance – April 2006 – March 2007

5.1 At the conclusion of the local government year it is appropriate to highlight the major successes and areas of concern.

5.2 Overall, the rate of improvement and the ability to meet local targets for performance indicators is ahead of plan. However, it is becoming increasingly difficult to reach upper quartile for national best value performance indicators (BVPI), with the majority of councils being found to be improving well and with the most common Comprehensive Performance Assessment (CPA) rating being good / 3 star (as at Salisbury).

5.3 Councillors may recall that this time last year, I was reporting that the year 2005 – 2006 had been the strongest to date, with 88.9% of the strategic suite of indicators (those which support the existing political priorities) reaching upper quartile. Whilst for 2006/2007 the figure has dropped to 27.3% - a clear reflection of the improvements other councils are making nationally.

5.4 If we are to keep pace with other better performing councils then we are going to need to continue to accelerate the pace of improvement to prevent the gap between high and low performance widening over time.

5.5 Whilst the new administration have indicated that they do not consider it a priority to re-apply for re-categorisation of the CPA rating, the Cabinet has indicated their intention to work up a set of political priorities for the life of the administration. The outcome of the work will provide a vital focus for our approach to performance management during the coming year.

5.6 Encouragingly, around half of our indicators demonstrated improvement on the previous year, 49.1% (85 of 173) with a further 13.9% (24) maintaining their previous performance. This is better than 2005/06 where 44.9% were demonstrating improvement. Clearly a culture of continuous improvement is a vital component of a successful council.

5.7 A number of corporate measures are worthy of special mention:

- Sickness levels are down further to 7.3 days (in the upper quartile nationally)
- Strong management of capital financial projects with capital spend out-turn based on forecast

5.8 Previous quarter's reports have outlined concern at the council's programme on some equalities indicators. A stocktake of all equalities work was undertaken during the last quarter and a specialist has been appointed for a temporary period to undertake a range of work with the council. Over the next six months the advisers will be working with us to:

- Carry out urgent work to enable the council to address gaps in relation to equality and diversity, including helping the council to meet its statutory requirements
- Put in place arrangements to launch a new approach to equality and diversity which places more emphasis on cultural change rather than concentrating on processes and systems
- As the information becomes available, to take the lead in responding to the findings of the audit of equality and diversity in the councils across Wiltshire which is being undertaken under the auspices of the Wiltshire Improvement Programme
- To ensure that, by the end of the consultancy, a sustainable approach to equalities and diversity is in place through skills transfer, training, communication

5.9 From a portfolio perspective highlights and areas for improvement are:

5.9.1 **Community and Housing**

- 42.3% (33 of 78) of performance indicators meeting targets
- 45.2% (33 of 73) demonstrating improvement
- 34.8% (16 of 46) met upper quartile (Districts)
- 39.1% (18 of 46) met upper quartile (All England)

Areas of concern: increase in domestic burglaries, violent crimes and robberies – proactive work with the Police continues; re-let time below target owing to problems being encountered with a new contractor undertaking void property works. These have now been addressed and a much better performance is anticipated for 2007/08.

Areas for note: Solid performance in letting private property through rent deposit scheme, various benefits indicators, provision of affordable homes, tackling domestic violence and tracking rent arrears.

5.9.2. **Planning and Economic Development**

- 75% (15 of 20) of performance indicators meeting targets
- 40% (8 of 20) demonstrating improvement
- 28.6% (2 of 7) met upper quartile (both Districts and All England)

Area for concern: Although the % of land charges carried out within 10 days for the year is below target, the final quarter showed the best performance for 18 months and stronger results are predicted for 2007/08 as the team integrate within Development Services.

Area for concern: levels of graffiti and number of conservation areas with character appraisals (to be published late summer/autumn)

Areas for note: Continuing strong performance for planning application indicators, with one continuing in the upper quartile, exemplary performance on the Planning Quality of Service Checklist and a steady upward trend for use of the tourism website.

5.9.3. **Resources**

- 58% (29 of 50) of performance indicators meeting targets
- 46.2% (24 of 52) demonstrating improvement
- 20% (3 of 15) met upper quartile (both Districts and All England)

Areas for concern: Equalities targets (but see section 5.8)

Areas for note: Reduced sickness absence levels (see section 5.7), increased annual efficiencies and excellent corporate out-turn against gross budget.

5.9.4. **Environment and Transport**

- 75% (21 of 28) performance indicators meeting targets
- 71.4% (20 of 28) demonstrating improvement
- 27.3% (6 of 22) met the upper quartile (Districts)
- 31.8% (7 of 22) met the upper quartile (All England)

Areas of note: improved recycling and composting (although significant improvements in line with best practice expected later in the year with the new scheme)

5.10. During the year strong progress was achieved within each of the major projects, which support the existing political priorities. These are summarised below:

Creating More Affordable Housing

- Worked on plans for redevelopment of Damascus House to provide 21st century homeless hostel.
- Reduced people living in temporary accommodation.
- Achieved £7.1m of grant from the 2006/08 National Affordable Housing Programme (NAHP)
- Secured an additional £1.6m grant from the NAHP for the refurbishment of Kingsway House
- Achieved the Centre for Sheltered Housing Services Code of Practice
- Undertook Local Housing Needs and Housing Market Study

Maintaining current Housing to a High Standard

- Stock options undertaken and tenants voted to retain stock in Council ownership.
- Approach to project management commended by Audit Commission.

Reducing Household Waste and Improving Recycling

- Detailed plans made for alternate refuse/recycling service.
- Additional mini recycling centres established.

Reducing Traffic Congestion and Improving Public Transport

- Opened fourth Park and Ride Site.
- Park and ride usage up substantially
- One new cycle route opened

Improving Services for Customers

- Web site achieved transactional status and in top 18% nationally.
- Services offered by Customer Services continue to expand with high resolution rates at first point of contact.
- Office centralisation project progressed, with positive external accreditation (project now subject to review by new administration).

Creating Better Places to Live

- Development of Salisbury Vision.
- Preparation for local development framework.

Making District Safer and Reducing Fear of Crime

- Improved partnership approach to tackling anti-social behaviour
- Introduced with partners measures aimed at tackling alcohol related nuisance
- Continued to support prevention work to tackle domestic violence

5.11 Future reports will address projects that support the new political priorities.

6 Complaints

6.1 The Passport to Improved Services procedure (complaints) is segmented by type:

- a) Service failure against published standards
- b) Service failures
- c) Bureaucratic process
- d) Officer behaviour failure against published standards in Customer Care Charter
- e) Information failure where poor, incomplete or inaccurate information was provided.
- f) General feedback (added in 2006/07)

6.2 The procedure has three levels:

- a) Initial investigation and response by the relevant Service Unit Head.
- b) Appeal to the Chief Executive or a Policy Director.
- c) Independent investigation by the Local Government Ombudsman.

- 6.3 It should be noted that certain types of complaints are excluded from the procedure and are reported by other means:-
- Complaints about Members of the Council, which are considered by the Standards Board, are reported individually.
 - Complaints about some Environmental Health functions (e.g missed bins) are Best Value Performance Indicators and are reported through the Council's Performance Plan.
 - Complaints arising from the issuing of car parking tickets are dealt with through the National Parking Adjudication Service.
- 6.4 The following table shows the annual totals of recorded formal complaints by type for 2006/07, with the preceding year shown for ease of reference:

	Bureaucratic Process	Service Failure	Service Failure against Standards	Officer Behaviour	Information Failure	General Feedback	2 nd Stage	Ombudsman
2006/07	20	40	22	28	12	2	4	4
2005/06	21	14	15	15	4			4

- 6.5 The Satisfaction Survey referred to in Section 7 also measures satisfaction levels with complaints handling. The new Passport to Improved Services for handling complaints has now been in operation for two years, and the latest survey shows a 4% improvement in customer satisfaction with the way complaints are handled by the council. This takes us into the top quartile for this indicator for all English councils. However, the top quartile for district councils is 38% and we have therefore set this as a target for future years. A summary of performance is shown below.

Actual:	2005/06	33%
	2007/08	37%
Target:	2008/09	38%
	2009/10	38%
	2010/11	38%

- 6.6 Although this is a satisfying set of results, there is still work to be undertaken to ensure that the recording of complaints is consistent across the council. This work includes a training session for senior managers from the Local Government Ombudsman and implementation of the corporate CRM (Customer Relationship Management) system to enable complaints to be handled electronically within units and to produce improved management information. Both of these will be completed in 2007/08.

7 Public satisfaction

- 7.1 Cabinet will recall that all councils are required to undertake public satisfaction surveys every three years. These are undertaken in accordance with strict government definitions in order that appropriate comparisons can be made.
- 7.2 The initial unweighted results were reported to Cabinet in January and showed that public satisfaction with the council was up from 63% to 68%.
- 7.3 The Audit Commission have now published the data for all councils including quartile comparisons.
- 7.4 These final results are excellent news for Salisbury District Council as we are in the top ten councils in the country based on satisfaction with the council.

Our final result of 67% is well ahead of both the upper quartile for all English councils at 58% and the upper quarter for English districts at 60%. Given this result, we are unsurprisingly ranked best in Wiltshire and our CIPFA nearest neighbour group.

- 7.5 As well as seeking the public's views of the council overall, the survey also examines satisfaction with individual services. The table below summarises the results for Salisbury District Council:

Satisfaction theme	Results	Relationship to upper quartile for districts
Satisfaction with cleanliness	81% **	Well above upper quartile of 74%
Satisfaction with household waste collection	85% *	Just short of upper quartile of 86%
Satisfaction with recycling	Median	
Satisfaction with sports and leisure	Between bottom quartile and median	
Satisfaction with museums and galleries	55% *	Ahead of upper quartile of 50%
Satisfaction with theatres and concert halls	61% *	Ahead of upper quartile of 52%
Satisfaction with parks and open spaces	78% *	Within the upper quartile also at 78%

Note:

- all those marked * represent best in Wiltshire
- those marked ** represent in top ten councils in the country

7.6 In addition to the general satisfaction survey, specific surveys are undertaken with council housing tenants, benefit claimants and users of the planning service. Comparisons with other councils will not be available until later in the year when a detailed report will be prepared for Cabinet.

7.7 Headline figures from council housing tenants indicate that:

- o 8 in 10 (82%) say they are satisfied with the overall service provided
- o 8 in 10 (81%) say they feel the rent they pay is good value for money
- o 9 in 10 (87%) say they are happy with their accommodation
- o 8 in 10 (82%) say the number of rooms in their home is about right
- o 8 in 10 (78%) say the general condition of the property is good
- o 8 in 10 (84%) say they are satisfied with their neighbourhood as a place to live
- o 8 in 10 (77%) say getting hold of the right person was easy
- o 9 in 10 (87%) found the staff helpful
- o 9 in 10 (85%) say staff are able to deal with their problem
- o 7 in 10 (72%) were satisfied with the outcome

It is interesting to note that more responders regarded the staff dealing with their contact as being helpful than were satisfied with the outcome of their contact. This may be regarded as a positive indicator of the quality of the staff's customer service skills.

8 Revised Risk Register

8.1 Set out in Appendix 2 is the revised Corporate Risk Register, which reflects issues within this report and actions to be agreed.

8.2 The Register has also been amended to reflect risks no longer relevant and reflect any changes to the status of existing risks.

9 **Recommendations:** Cabinet is asked to:

- (i) Note the updates on areas of concern and proposed remedial action
- (ii) Note the positive public satisfaction results
- (iii) Invite Scrutiny to consider any particular issues

10 Background Papers:

Performance Management information
 Project plans
 Corporate Plan
 Portfolio Plans

11 Implications:

Financial: None in respect of this report. The situation on premium payments however is a material consideration

Legal: None

Personnel: The significant contribution of staff in helping to achieve generally excellent public satisfaction ratings should be noted.

Community Safety: Included as programme indicators

Environmental: Included as programme indicators

Human Rights:

Ward(s) Affected: All

Appendix 1

Progress on Risks identified during third quarter October – December 2006

Risk Category	Service / Nature of Risk / Opportunity	Explanation / Action taken
1 FINANCIAL	<ul style="list-style-type: none"><li data-bbox="581 432 870 464">○ Buyouts – car parking <li data-bbox="581 632 846 663">○ Premium Payments	The council has paid out a net £98,000 on parking buyouts and green travel. This is to be compensated for by parking fees received from staff and therefore will need to be written out of reserves in 2007/08 See 4.1
2 REPUTATION	None	
3 CAPACITY	None	

Appendix 2

Salisbury District Council Risk Register

Date last updated 5 June 2007

No	Type of Risk	Impact	Probab	Category	Risk Source	Owner	Response	Action	Residual Status	Updated	Risk Acceptable Y/N
1	Failure to meet financial challenge	5	4	Financial Reputational Political	Cabinet	Cabinet / MT	Treat	Some items in MTFS not yet implemented. Need to review in light of revised political priorities	3 / 3	4/6/07	
2	Failure to put in place resources to meet the council's objectives (capacity)	4	4	Political Reputational	Cabinet	Cabinet / MT	Treat	Although measures in place to support capacity, the Integrated Improvement Programme is reaching the peak of workload and the council will need to be alive to the risk of unforeseen demands causing a problem with delivery of major projects. The position may be exacerbated as a result of LGR causing increased turnover, difficulty in recruitment and poor morale	4 / 4	4/6/07	
3	Failure to secure adequate investment to maintain the council's housing stock to the quality level desired by tenants	5	5	Financial Reputational People	Cabinet	HM	Treat	Rejection of stock transfer requires renewed business plan to reflect capital and revenue investment constraints	4 / 4	4/6/07	
4	Failure to meet targets projected from policies put in place to secure affordable housing	3	3	Reputational Political People	Cabinet	SHS	Tolerate	Renewed leadership from Affordable Housing Board	2 / 2	04/06/07	
5	Failure to meet targets for diverting household waste from landfill	4	5	Reputational Political	Cabinet	HES	Treat	Strategy agreed to increase % of household waste diverted from landfill. New council to review plans	2 / 2	04/06/07	
6	Failure to meet objectives of Salisbury Transport Plan	3	3	Reputational political people financial	Cabinet	HFPT	Treat	Shortfall in income has decreased during 2006/07. Officers preparing strategy for future management of car parks	3 / 3	04/06/07	
7	Failure or delay of office project	5	5	Financial Reputational	Cabinet	MT	Treat	Independent review of legal and financial implications of cancelling / modifying / continuing with project underway	5 / 5	04/06/07	
8	Deterioration in community safety	3	2	Reputational Political People	Cabinet	HCI	Tolerate	Policies in place to improve community perception of safety. Impact of new alcohol licensing arrangements need to be watched	2 / 1	04/06/07	
9	Significant unintentional deterioration in levels of performance, effectiveness, quality or efficiency	4	4	Reputational Political People	Cabinet	MT	Treat	Change to political priorities and impact of LGR may have some detrimental effect. Need to review and manage. Equalities work underway	3 / 3	04/06/07	

10	Failure to engage with partner and community in process of identifying investment priorities	4	3	Reputational Financial People	Cabinet	MT	Treat	SWSA re- focussed and providing more strategic leadership but all partnership working under threat from LGR	4 / 3	04/06/07	
11	Failure to meet external requirements on the quality, effectiveness and economy of council services	3	2	Reputational Political People	Cabinet	MT	Treat	Leadership from Meeting Financial Challenge and Performance Board	2 / 1	04/06/07	
12	Failure to improve the city centre leading to reduced business, employment, tourist and cultural activity	4	3	Financial Reputational Political	Cabinet	MT	Treat	Need to agree next phase of vision work	3 / 3	04/06/07	
13	Local Government Reorganisation leading to cessation of corporate projects	4	4	Financial Political	Cabinet	MT	Treat	Review of priorities if creation of unitary confirmed	3 / 3	04/06/07	

RESPONSE TO RISK

Once risk have been identified as High, Medium or Low for both impact and likelihood, a risk management response needs to be planned. The level and type of response will be determined by:

- o The risk level
- o The ease and cost of mitigation strategies, and
- o The nature of the risk

The following table is based upon the council's "appetite for risk"

Impact		Likelihood	
5	Critical	5	Almost certain
4	Major	4	Highly likely
3	Significant	3	Likely
2	Moderate	2	Possible
1	Minor	1	Rare

DEFINITIONS OF RISK MANAGEMENT RESPONSE

Tolerate

The council may decide to accept and monitor the risk at the present time. This may be necessary for some risks that arise from external events.

Transfer

The council may decide to pass the risk on to another party. For example, contractual terms may be agreed to ensure that the risk is not borne by the council or insurance may be appropriate for protection against financial loss

Terminate

The risk may be such that the council could decide to end the activity or to modify it in such a way as to end the risk

Treat

The council may take actions or employ strategies to reduce the risk to the council