

4 January 2010		ITEM 5
Corporate Overview and Scrutiny Committee		
CORPORATE PERFORMANCE REPORT SEPTEMBER 2010 (QUARTER 2)		
Portfolio Holder: Cllr Oliver Gerrish; Portfolio Holder for Central Services		
Wards and communities affected: N/A	Key Decision: N/A	
Accountable Head of Service: Chris Stephenson, Corporate Performance Manager		
Accountable Director: Richard Waterhouse, Interim Director of Change and Improvement		
This report is Public		
<p>Purpose of Report:</p> <ul style="list-style-type: none"> ○ To advise Corporate Overview and Scrutiny Committee of performance, up to and including month 6 (Quarter 2), 2010/11, of key performance indicators. 		

EXECUTIVE SUMMARY

This report provides Corporate Overview and Scrutiny Committee with a summary of performance against key performance indicators up to the end of September 2010. These indicators are used to monitor the performance of key priority services in 2010-11 and enable Directors and Members to form an opinion of the performance of these priority services.

As at the end of Quarter 2, 25 (56.82%) of these indicators are meeting their target and 44.19% have improved their performance over last year.

1. RECOMMENDATIONS:

That Corporate Overview and Scrutiny Committee:

- **Notes and comments on latest performance for the key priority service areas in Quarter 2 2010-11.**
- **Notes the improvement activity that is either currently underway or being commissioned in respect of underperforming indicators.**
- **Notes the improvement activity underway in relation to sickness absence as requested at Corporate Overview & Scrutiny Committee on 5th October 2010 [See Appendix 2]**

2. INTRODUCTION AND BACKGROUND:

- 2.1 This is the Quarter 2 Performance Report for 2010/11. The detail of the report can be found in Appendix 1. For this reporting period the style of the detailed report has been redeveloped to show a graphical analysis of each indicator as well as the latest available commentary.
- 2.2 For ease of analysis, the graphs have been ordered by “RAG” (Red, Amber, Green) status, with the key areas of focus at the beginning.

3.0 Performance Report Headlines

- 3.1 The headline messages from this report are:

Performance against target - of the 44 indicators that are comparable, at the end of Quarter 2:

- 56.82% met their target ie GREEN
- 9.09% were within tolerance ie AMBER
- 34.09% did not meet their target ie RED

Direction of Travel - of the 43 indicators that are comparable, at the end of Quarter 2 (based on previous years outturn or position same time last year, whichever is most appropriate for the indicator):

- 44.19% improved
- 6.98% remained static
- 48.83% declined

4.0 Areas IN FOCUS

a) BV08 % invoices paid within 30 days

The performance for this indicator has been consistently below target since the beginning of the financial year (with the exception of May 2010). The major reason for this has been the lack of consistency in processing of invoices within services. A report was taken to the Steering Group in July and a number of recommendations were agreed, aimed at streamlining the process and introducing stricter measures for services to comply with in terms of processing invoices:

- Ensure that all transactions are backed by an official order
- Ensure that all transactions are goods receipted
- Determine the future development of the Council’s financial systems
- Automate the payment process using the financial system tools

In order to strengthen budgetary control, additional measures have been taken to ensure that purchase orders are being raised with suppliers on a regular

basis. This makes it easier to manage budgets, since the accountancy system records expenditure as soon as it is committed. There has always been a requirement to raise purchase orders, but in recent times there has been a lack of compliance. In the short term, the new measures may lead to some delays in payments, since the FAST team, who process invoices for payment, have been asked to refer back to the relevant officer any invoices passed to them for payment where a purchase order has not been raised.

A staff briefing session on these requirements was held on Monday 1st November in the Council Chamber and staff have also been reminded in an e-mail by the Head of Corporate Finance of the need to comply with the requirements below:

- Raising a purchase order
- Goods receipting
- Payment via FAST
- System housekeeping i.e. receipting

b) LA72 - % of relevant repairs completed in Government timescales

The Morrison contract commenced on 2nd August 2010. A number of issues have impeded the successful delivery of a high quality and timely maintenance/repairs service.

Firstly there is no real-time IT interface between the Council, Vertex and Morrison. The manual system in place has significant limitations. A new IT system will be in place by February 2011 that will allow the Council and Morrison to have access to the same information and allow real time management and monitoring. In the mean-time, there will be a lack of real-time performance data until the new system is implemented.

Secondly there are a high proportion of repair requests being inaccurately logged as urgent. Morrison have located two technical staff in the Council's Contact Centre to provide immediate technical support thereby ensuring requests are logged appropriately.

Senior Council staff are working closely with Morrison to improve performance. Weekly monitoring meetings are in place to work to ensure early resolution of complaints.

5.0 Indicators which have changed RAG status since last month

5.1 “Red/Amber to Green”

BV084a – Household Waste collection

These figures are provisional and overall performance is likely to be affected by seasonal variations. The seasonal variations relate to the brown bin organic waste collection service where the waste collected is dependent on the amount of garden waste which is presented for collection. This reaches a high in

spring/summer then reduces to a low point in autumn /winter. However, the performance of this indicator is currently on target.

5.2 “Green to Amber/Red”

BV078b – Average time for processing change of circumstance

The drop in performance this month has been caused by a process change in line with the Department of Work & Pensions (DWP) Single Housing Benefits Extract (SHBE) requirements.

The change in process has removed the ability to work the cancellations at day 1, with a need to wait 28 days before completing. This has had a knock-on impact on the average turnaround time for all changes in circumstances. This issue has been discussed with the Finance client and workshops are taking place (within the Vertex operation) to fully review procedures, with the aim of identifying any process improvements that will improve the performance of this indicator. Performance Board have also agreed that a recovery plan be produced for this indicator in readiness for the next round of Corporate Performance reporting.

5.3 “Red to Amber”

RES010 - % of Capital Programme projected to be spent at year end (whole Council)

Improvements in the delivery of the capital programme are partly due to better financial monitoring and reporting. A capital working group at officer level now meets regularly to review progress against plan, and this is reported to Directors’ Board on a monthly basis and to Cabinet quarterly. The forecast outturn suggests that there has been a significant improvement in the management and delivery of capital schemes compared to 2009/10. However, the impact of the Comprehensive Spending Review (CSR) and other in-year grant reductions have not yet been fully reflected in the outturn forecast. More information on the impact of the CSR on the Council’s capital resources is expected in early December.

LA72 - % of relevant repairs completed in Government time

See above (section 4)

6.0 The full summary of performance is set out below:

Area	No. of PIs	Performance against Target				Direction of Travel			
		No. of KPIs unavailable for comparison (na)	No. of KPIs at Green ✓	No. of KPIs at Amber ⇄	No. of KPIs at Red ✗	No. of KPIs unavailable for comparison na	No. Improved since 2009-10 ↑	No. Unchanged since 2009-10 →	No. Decreased since 2009-10 ↓
Corporate Health/ Change & Imp.	9	2	2	0	5	2	6	0	1
Finance & Corporate Governance	8	1	3	1	3	1	5	0	2
Children, Education & Families	8	1	4	0	3	2	2	0	4
Community Well-being	5	1	1	0	3	1	0	0	4
- ASC	8	0	6	1	1	0	2	1	5
- Housing									
Sustainable Communities	11	0	9	2	0	0	4	2	5
TOTAL	49	5	25	4	15	6	19	3	21
		PIs available = 44	56.82%	9.09%	34.09%	PIs available = 43	44.19%	6.98%	48.83%

*Please note it is possible to have a different number of indicators comparable against “Direction of Travel” than “Against Target” because

- 1) For some indicators we only have one year’s worth of data and therefore cannot compare Direction of Travel
- 2) Some indicators have not had targets set by individual services. Another potential reason is that if an indicator is new or has had its definition amended; the service may use the first year to establish a baseline.

7.0 IMPACT ON CORPORATE POLICIES, PRIORITIES, PERFORMANCE AND COMMUNITY IMPACT

7.1 This monitoring report will help decision makers and other interested parties, form a view of the success of the Council's actions in meeting its political and community priority ambitions.

8.0 IMPLICATIONS

8.1 Financial

Implications verified by: **Meinir Hall**
Telephone and email: **01375 652147** mhall@thurrock.gov.uk

This is a monitoring report and there are no direct financial implications arising. However any recovery planning commissioned by the Council may well entail future financial implications.

8.2 Legal

Implications verified by: **Jamie Hollis**
Telephone and email: **01375 652442** jhollis@thurrock.gov.uk

This is a monitoring report and there are no direct legal implications arising.

8.3 Diversity and Equality

Implications verified by: **Samson Dealyn**
Telephone and email: **01375 652472** sdealyn@thurrock.gov.uk

This is a monitoring report and there are direct diversity implications arising. The report provides commentary on the performance of diversity indicators, within the Appendix, showing details of performance for each indicator. The appendix describes the actions taking place to address underperforming diversity indicators.

NB In the narrative within Appendix 1 regarding BV11b [% top paid employees from BME backgrounds] and BV16a [% Disabled employees] it refers to plans being in place by October 2010. Since reporting to Cabinet this timescale has been amended to a scheduled completion date of January 2011.

8.4 Other implications (where significant) – i.e. Section 17, Risk Assessment, Health Impact Assessment, Sustainability, IT, Environmental

There are no other relevant implications.

Report Author Contact Details:

Name: Chris Stephenson
Telephone: 01375 652707
E-mail: cstephenson@thurrock.gov.uk