

20 April 2016



**Quarter Three 2015/16
Performance Management Report**

**Report of Corporate Management Team
Lorraine O'Donnell, Assistant Chief Executive
Councillor Simon Henig, Leader**

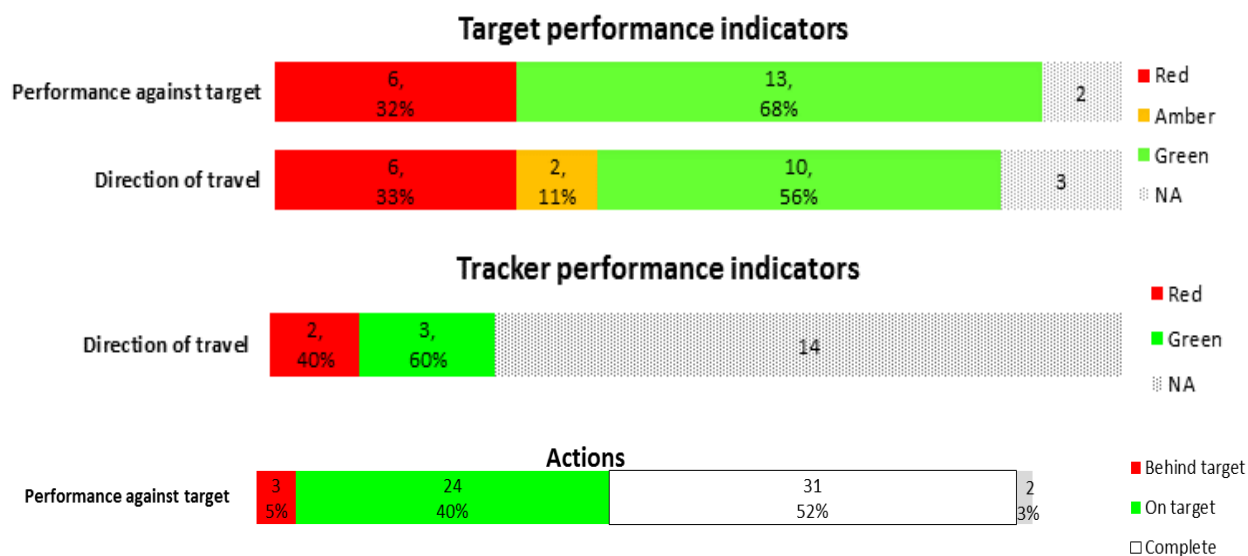
Purpose of the Report

1. To present progress against the council's corporate basket of performance indicators (PIs), Council Plan and service plan actions and report other performance issues for the third quarter of the 2015/16 financial year, covering the period October to December 2015.

Background

2. The report sets out an overview of performance and progress for the Altogether Better Council priority theme. Key performance indicator progress is reported against two indicator types which comprise of:
 - a. Key target indicators – targets are set for indicators where improvements can be measured regularly and where improvement can be actively influenced by the council and its partners (see Appendix 3, table 1); and
 - b. Key tracker indicators – performance will be tracked but no targets are set for indicators which are long-term and/or which the council and its partners only partially influence (see Appendix 3, table 2).
3. The report continues to incorporate a stronger focus on volume measures in our performance framework. This allows us to better quantify productivity and to monitor the effects of reductions in resources and changes in volume of activity. Charts detailing some of the key volume measures which form part of the council's corporate set of performance indicators are presented in Appendix 4.
4. The corporate performance indicator guide provides full details of indicator definitions and data sources for the 2015/16 corporate indicator set. This is available to view either internally from the intranet (at Councillors useful links) or can be requested from the Corporate Planning and Performance Team at performance@durham.gov.uk.
5. The response to the query regarding the Welfare Assistance Scheme and Discretionary Housing Payments grants and spend incurred/forecast that was raised at the Corporate Issues Overview and Scrutiny Committee meeting on 26th January 2016 is presented in Appendix 5.

Altogether Better Council: Overview



Council Performance

6. Key achievements this quarter include:

- a. In 2015, 93% of telephone calls were answered within three minutes, exceeding the target of 80%. Performance is in line with the same period last year (94%). Over one million calls were received during the 12 months ending December 2015 (Appendix 4, Chart 1), 6% of these were abandoned, better than the target of 12% and in line with the same period last year (5%).
- b. Footfall in our customer access points (CAPs) has fallen significantly from 237,373 during 2014 to 187,956 during 2015 (Appendix 4, Chart 2). This reduction has been aided by the appointments system for benefits and council tax, which is reducing repeat visits as customers at the time of booking the appointment are informed of the documentation they need to bring with them. This is in spite of more than 5,000 enquiries and requests for Lumiere tickets at the CAPs. 99% of customers were seen within 15 minutes in 2015, exceeding the 95% target.
- c. Processing performance for Housing Benefit and Council Tax Reduction claims is on track to achieve the annual targets after reporting a slight dip at quarter two.
 - i. Processing times for new Housing Benefit (HB) and Council Tax Reduction (CTR) claims stand at 19.16 days and 19.33 days respectively at quarter three which have improved from last quarter and is on track to achieve the annual target of 22 days. During quarter three, 2,856 new HB claims and 3,244 new CTR claims were processed, a slight decrease from the previous quarter (Appendix 4, Charts 3 and 4).
 - ii. Processing times for change of circumstances (HB and CTR) stand at 9.92 days and 9.72 days respectively at quarter three. Although both are slightly outside of the quarter target (9.33 days), the service is on track to achieve the annual target of 10 days. During quarter three 26,868 change of circumstances for HB claims and 28,315 change of

circumstances for CTR claims were processed, a slight reduction from previous quarter (Appendix 4, Chart 5 and 6).

- d. During quarter three 2015/16, 95.2% of supplier invoices were paid within 30 days, continuing to exceed the 92% target and improving 5% on the same period last year (90.7%). A total of 95,047 supplier invoices were processed this quarter, a 13.3% increase on the previous quarter (83,871).

A major software upgrade went live in December with minimal impact on performance. The upgrade brings enhanced system functionality, including optical character recognition to automate the processing of invoices and detailed management information dashboards. The service will continue to work with software suppliers to further improve automation of processes.

- e. Between April and December 2015, 84.5% council tax was collected, exceeding the 83% target and improving from the same period last year (82.9%). It is expected that the planned recovery schedule will maintain the continuous improvement and meet or potentially exceed the 96.2% annual target.

Over the same period, 82.9% business rates were collected, exceeding the 81.7% target and improving from the same period last year (81.6%). The council is on course to achieve the 96.7% annual target due the tightening of the 2015/16 recovery schedule and a concerted effort has been made to contact the large ratepayers in arrears to ensure payment is received promptly.

7. The key performance improvement issues for this theme are:

- a. The employee appraisal rate was 83.7% in the 12 months to December 2015, a deterioration of 5% on the previous quarter (88.2%) and outside the quarter three target which has increased this period from 87.5% to 90%.

Automated prompts and Head of Service monthly summaries are provided to managers to assist in actively managing appraisal performance. Human Resources (HR) service links are working closely with Service Management Teams to increase the number of appraisals undertaken. HR reporting has also been developed within Oracle Business Intelligence to provide managers with information to support the administration and performance management of the performance appraisal scheme. These reports were rolled out in December 2015 and are available to all Tier 1-4 managers providing them with access to real time information to help manage appraisal activity for their areas (s) of responsibility. An internal audit commenced in January 2016 which will assist in identifying required improvements to the performance appraisal process.

- b. Sickness absence levels continue to be challenging. In the year to 31 December 2015, the average days' sickness per full time equivalent (FTE) excluding school based employees was 12.13 days, and 9.71 days including school based employees, which although is slightly better than at quarter two (12.35 and 9.85 days respectively), is higher than acceptable and considerably worse than the targets set of 11.5 days and 8.5 days respectively.

During the rolling year to December 2015, 48% of posts (excluding school based employees) had no sickness absence which is an improvement on quarter two (45%) and the same time last year (47%).

Following agreement of the Attendance Management Scrutiny review at the end of this quarter, HR Officers continue to work with managers to ensure compliance with the Sickness Absence Management Policy and are actively managing sickness absence. Hotspot areas have been identified where the level of sickness absence may necessitate more detailed work to bring about the required improvement to performance.

- c. The percentage of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests responded to within 20 days was 77% this quarter, a deterioration of five percentage points from the previous quarter (82%) and below the national target of 85%. The number of FOI/EIR requests was 291 this quarter, an increase from 256 in quarter three 2014/15 but a decrease from 322 in the previous quarter (see Appendix 4, Chart 7).
8. Key Council Plan actions which have not achieved target in this theme are as follows:
- a. Developing a community led support network for community buildings has been delayed from November 2015 to April 2016 because of the need to include the outcomes of a survey which was completed in December. The first network meeting will be held in February 2016. At this meeting, social enterprises will help to shape the future network.
 - b. Improving information governance by developing Senior Information Risk Owner (SIRO) and Information Asset Owner roles has been delayed from November 2015 to April 2016. The SIRO has been agreed as the Assistant Chief Executive. Further work is required to fully roll out Information Asset Owners.
 - c. Mapping our information assets to identify asset owners and the risk associated with those assets has been delayed from October 2015 to May 2016. This work has been partly complete, but further work is required to get a full corporate picture.
 - d. Improving customer services through embedding the new HR Service structure by developing workstream action plans in relation to accommodation. This was due to be completed by March 2016, however the action is proposed to be deleted as a result of HR disaggregation; in which service improvement actions will be re-drafted at team planning level.
 - e. Identifying opportunities to create a Talent Management Framework for the council in order to identify high potential individuals utilising in-house development and project based learning to develop a skills and succession framework for the council. This action was due to be completed by March 2016 and is proposed to be deleted as a revised action has been incorporated in the updated Organisational Development Strategy Action Plan.
9. The key risks to successfully delivering the objectives of this theme are:

- a. If there was to be slippage in the delivery of the agreed Medium Term Financial Plan (MTFP) savings projects, this will require further savings to be made from other areas, which may result in further service reductions and job losses. Management consider it possible that this risk could occur, which will result in a funding shortfall, damaged reputation and reduced levels of service delivery. To mitigate the risk, a programme management approach for key projects has been established and embedded across the council. Monitoring by Corporate Management Team and Cabinet provides assurance over the implementation of the agreed MTFP savings projects. It should be recognised that this will be a significant risk for at least the next four years.
- b. Ongoing government funding cuts which now extend to at least 2019/20 will continue to have an increasing major impact on all council services. Management consider it highly probable that this risk could occur, and to mitigate the risk, sound financial forecasting is in place based on thorough examination of the government's "red book" plans. This will also be a significant risk for at least the next four years.
- c. If we were to fail to comply with Central Government's Public Services Network Code of Connection (PSN CoCo) criteria for our computer applications, this would put some of our core business processes at risk, such as revenues and benefits, which rely on secure transfer of personal data. The Government set criteria for the PSN CoCo compliance has changed again, one of the requirements being the need to submit a risk register, which is being compiled for submission in June 2016.

Recommendations and Reasons

10. That the Corporate Issues Overview and Scrutiny Committee receive the report and consider any performance issues arising there with.

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Appendix 1: Implications

Finance - Latest performance information is being used to inform corporate, service and financial planning.

Staffing - Performance against a number of relevant corporate health Performance Indicators (PIs) has been included to monitor staffing issues.

Risk - Reporting of significant risks and their interaction with performance is integrated into the quarterly monitoring report.

Equality and Diversity / Public Sector Equality Duty - Corporate health PIs are monitored as part of the performance monitoring process.

Accommodation - Not applicable

Crime and Disorder - A number of PIs and key actions relating to crime and disorder are continually monitored in partnership with Durham Constabulary.

Human Rights - Not applicable

Consultation - Not applicable

Procurement - Not applicable

Disability Issues - Employees with a disability are monitored as part of the performance monitoring process.

Legal Implications - Not applicable

Appendix 2: Key to symbols used within the report

Where icons appear in this report, they have been applied to the most recently available information.

Performance Indicators:

Direction of travel

Latest reported data have improved from comparable period

GREEN

Latest reported data remain in line with comparable period

AMBER

Latest reported data have deteriorated from comparable period

RED

Performance against target

Performance better than target

Getting there - performance approaching target (within 2%)

Performance >2% behind target

Actions:

WHITE

Complete (action achieved by deadline/achieved ahead of deadline)

GREEN

Action on track to be achieved by the deadline

RED

Action not achieved by the deadline/unlikely to be achieved by the deadline

Benchmarking:

GREEN

Performance better than other authorities based on latest benchmarking information available

AMBER

Performance in line with other authorities based on latest benchmarking information available

RED

Performance worse than other authorities based on latest benchmarking information available

Nearest Neighbour Benchmarking:

The nearest neighbour model was developed by the Chartered Institute of Public Finance and Accountancy (CIPFA), one of the professional accountancy bodies in the UK. CIPFA has produced a list of 15 local authorities which Durham is statistically close to when you look at a number of characteristics. The 15 authorities that are in the nearest statistical neighbours group for Durham using the CIPFA model are: Barnsley, Wakefield, Doncaster, Rotherham, Wigan, Kirklees, St Helens, Calderdale, Dudley, Northumberland, Tameside, Sheffield, Gateshead, Stockton-on-Tees and Stoke-on-Trent.

We also use other neighbour groups to compare our performance. More detail of these can be requested from the Corporate Planning and Performance Team at performance@durham.gov.uk.

Appendix 3: Summary of Key Performance Indicators

Table 1: Key Target Indicators

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
Altogether Better Council											
56	NS20	Percentage of abandoned calls	6	Jan - Dec 2015	12	GREEN	5	RED			
57	NS22	Percentage of telephone calls answered within three minutes	93	Jan - Dec 2015	80	GREEN	94	RED			
58	NS24	Percentage of customers seen within 15 minutes at a customer access point	99	Jan - Dec 2015	95	GREEN	NA	NA			
59	NS25	Percentage of customers with an appointment at a customer access point who are seen on time	Indicator under development	NA	95	NA	NA	NA			
60	RES/038	Percentage all ICT service desk incidents resolved on time	94	Oct - Dec 2015	90	GREEN	94	AMBER			
61	RES/NI/181a1	Average time taken to process new housing benefit claims (days)	19.16	Oct - Dec 2015	21.00	GREEN	19.64	GREEN	23.00 Not comparable	25.00** Not comparable	Jul - Sep 2015
62	RES/NI/181a2	Average time taken to process new council tax reduction claims (days)	19.33	Oct - Dec 2015	21.00	GREEN	20.90	GREEN			
63	RES/NI/181b1	Average time taken to process change of circumstances for housing benefit claims (days)	9.92	Oct - Dec 2015	9.33	RED	9.47	RED	10.00 Not comparable	11.00** Not comparable	Jul - Sep 2015

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
64	RES/NI/181b2	Average time taken to process change of circumstances for council tax reduction claims (days)	9.72	Oct - Dec 2015	9.33	RED	9.2	RED			
65	RES/001	Savings delivered against the Medium Term Financial Plan (MTFP) (£ million)	14.6	As at Dec 2015	16.3	Not comparable [7]	22	NA			
66	RES/002	Percentage of council tax collected in-year	84.47	Apr - Dec 2015	83.00	GREEN	82.94	GREEN	97.00 Not comparable	95.89* Not comparable	2014/15
67	RES/003	Percentage of business rates collected in-year	82.95	Apr - Dec 2015	81.70	GREEN	81.63	GREEN	98.11 Not comparable	98* Not comparable	2014/15
68	RES/129	Percentage of council tax recovered for all years excluding the current year	99.06	Oct - Dec 2015	98.50	GREEN	99.07	AMBER			
69	RES/130	Percentage of business rates recovered for all years excluding the current year	99.5	Oct - Dec 2015	98.50	GREEN	99.18	GREEN			
70	REDPI49b	Total of income and savings from solar installations on council owned buildings (£)	261,210	2014/15	242,000	GREEN	214,000	GREEN			
71	REDPI68	Average asset rating of Display Energy Certificates in county council buildings	96.0	Oct - Dec 2015	97.0	GREEN	99.1	GREEN			
		Percentage of undisputed	95.2	Oct - Dec	92.0	GREEN	90.7	GREEN			

Ref	PI ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
	010	invoices paid within 30 days to our suppliers		2015							
73	ACE006	Percentage of Freedom of Information (FOI) and Environmental Information Regulations (EIR) requests responded to within statutory deadlines	77	Oct - Dec 2015	85	RED	74	GREEN			
74	RES/LPI/012	Days / shifts lost to sickness absence – all services including school staff	9.71	Jan - Dec 2015	8.50	RED	9.31	RED			
75	RES/LPI/012a	Days / shifts lost to sickness absence – all services excluding school staff	12.13	Jan - Dec 2015	11.50	RED	11.97	RED			
76	RES/011	Percentage of performance appraisals completed in current post in rolling year period (excluding schools)	83.75	Jan - Dec 2015	90.00	RED	81.72	GREEN			

[\[7\] Annual target](#)

Table 2: Key Tracker Indicators

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
Altogether Better Council											
172	NS43a	Number of customer contacts - face to face	187,956	Jan - Dec 2015	185,581	Not comparable [2]	237,373	Not comparable [2]			
173	NS43b	Number of customer contacts -telephone	1,015,211	Jan - Dec 2015	1,004,224	NA	956,196	NA			
174	NS43c	Number of customer contacts - web forms	18,000	Oct - Dec 2015	15,935	NA	17,387	NA			
175	NS43d	Number of customer contacts - emails	48,661	Apr - Dec 2015	33,170	NA [2]	NA	NA [2]			
176	RES/013	Staff aged under 25 as a percentage of post count	5.69	As at Dec 2015	5.06	NA	5.59	NA			
177	RES/014	Staff aged over 50 as a percentage of post count	39.89	As at Dec 2015	40.16	NA	38.42	NA			
178	RES/LPI /011a	Women in the top five percent of earners	52.54	As at Dec 2015	52.72	NA	52.32	NA			
179	RES/LPI /011bi	Black and minority ethnic (BME) as a percentage of post count	1.57	As at Dec 2015	1.54	NA	1.50	NA			
180	RES/LPI /011ci	Staff with a recorded disability as a percentage of post count	2.75	As at Dec 2015	2.82	NA	2.73	NA			
181	RES028	Discretionary Housing Payments - value (£) for customers affected by social sector size criteria	464,294.50	Apr - Dec 2015	286,199.40	NA	826,664.92	NA			

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
182	RES029	Discretionary Housing Payments - value (£) for customers affected by local housing allowance reforms	108,986.47	Apr - Dec 2015	75,008.48	NA	115,379.00	NA			
183	ACE016	Percentage of children in poverty (quarterly proxy measure) (Also in Altogether Better for Children and Young People)	22.3	As at Aug 2015	22.5	GREEN	23.0	GREEN	16.1	22.9*	As at Aug 2015
184	ACE017	Percentage of children in poverty (national annual measure) (Also in Altogether Better for Children and Young People)	22.5	2013	22.6	GREEN	22.6	GREEN	18.6	23.3*	2013
185	ACE019a	Proportion of households in fuel poverty (low income/high cost rule)	11.5	2013	11.4	RED	11.4	RED	10.4	11.8*	2013
186	RES/034b	Staff - total headcount (excluding schools)	8,564	As at Dec 2015	8,569	NA	9,068	NA			
187	RES/035b	Staff - total full time equivalent (excluding schools)	7,057	As at Dec 2015	7,086	NA	7,465	NA			
188	RES/020	Percentage of time lost to sickness in rolling year (excluding schools)	4.8	Jan - Dec 2015	4.88	GREEN	4.73	RED			
189	RES/052	Percentage of posts with no absence in rolling year (excluding schools)	47.89	Jan - Dec 2015	45.22	GREEN	46.66	GREEN			

Ref	PI ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
190	RES/036	Number of RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) incidents reported to the Health and Safety Executive (HSE)	10	Oct - Dec 2015	12	N/A	11	NA			

[\[2\] Due to changes to the definition data are not comparable/available](#)

Appendix 4: Volume Measures

Chart 1 – Telephone calls

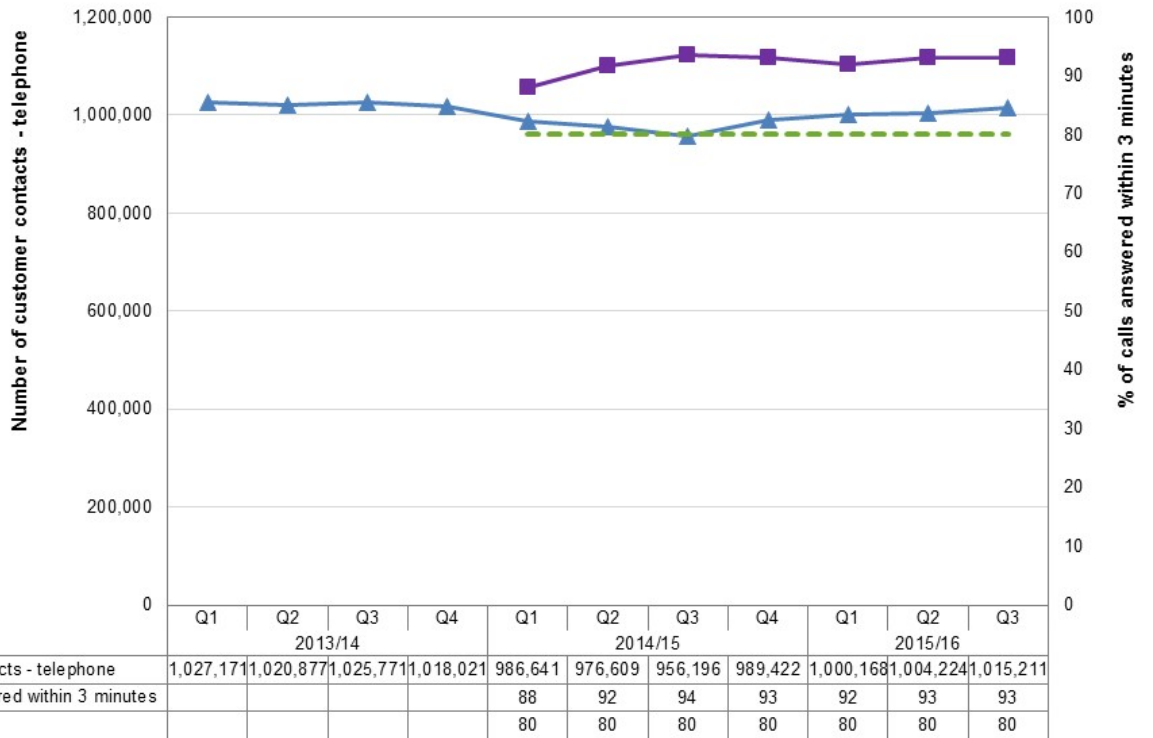


Chart 2 – Face to face contacts

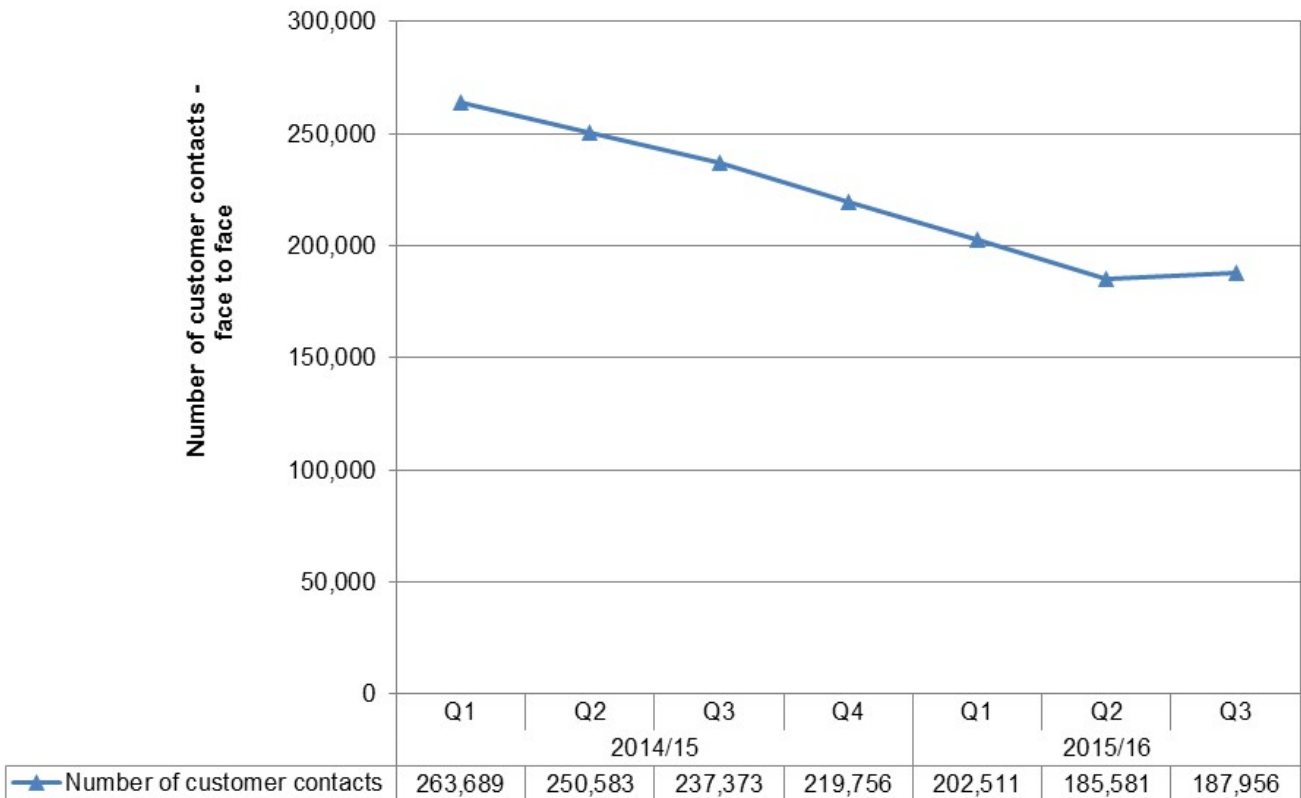


Chart 3 – Housing Benefits – new claims

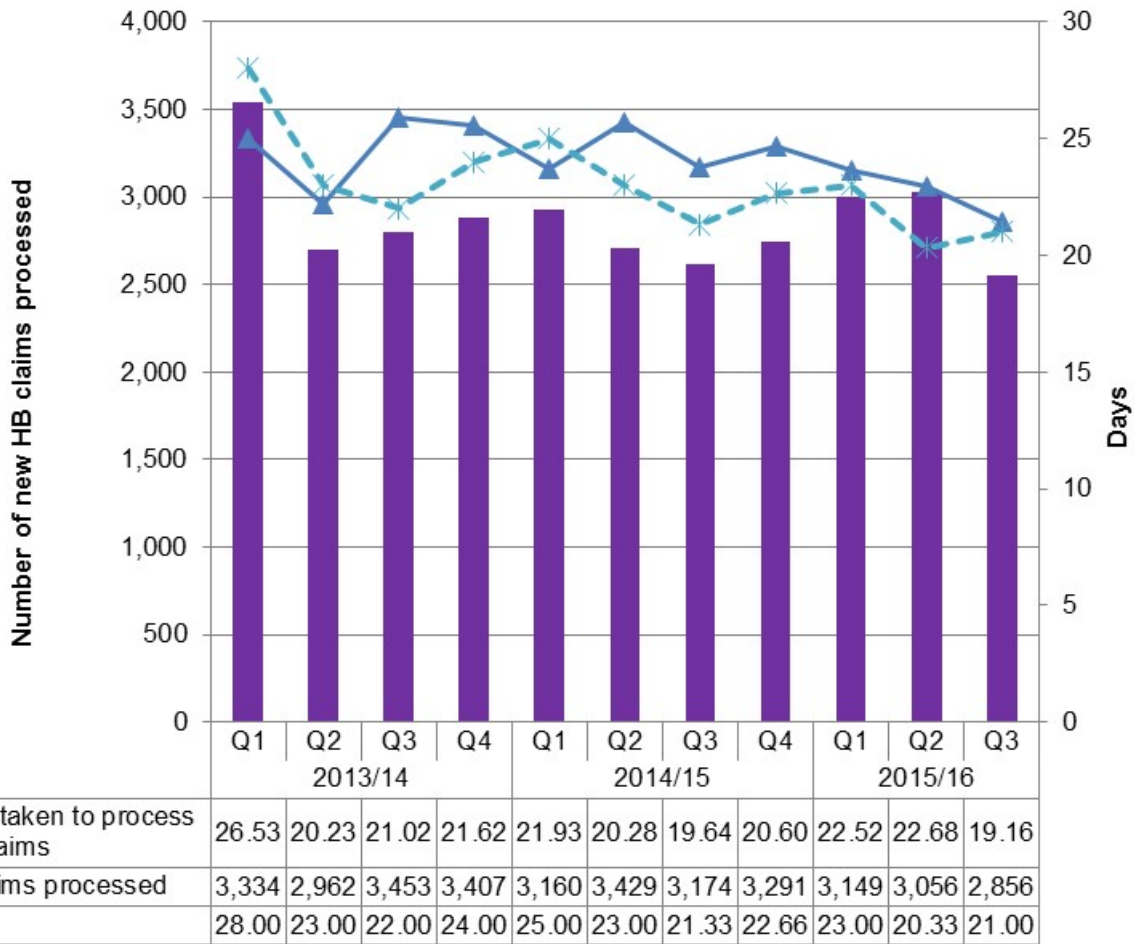


Chart 4 - Council Tax Reduction – new claims

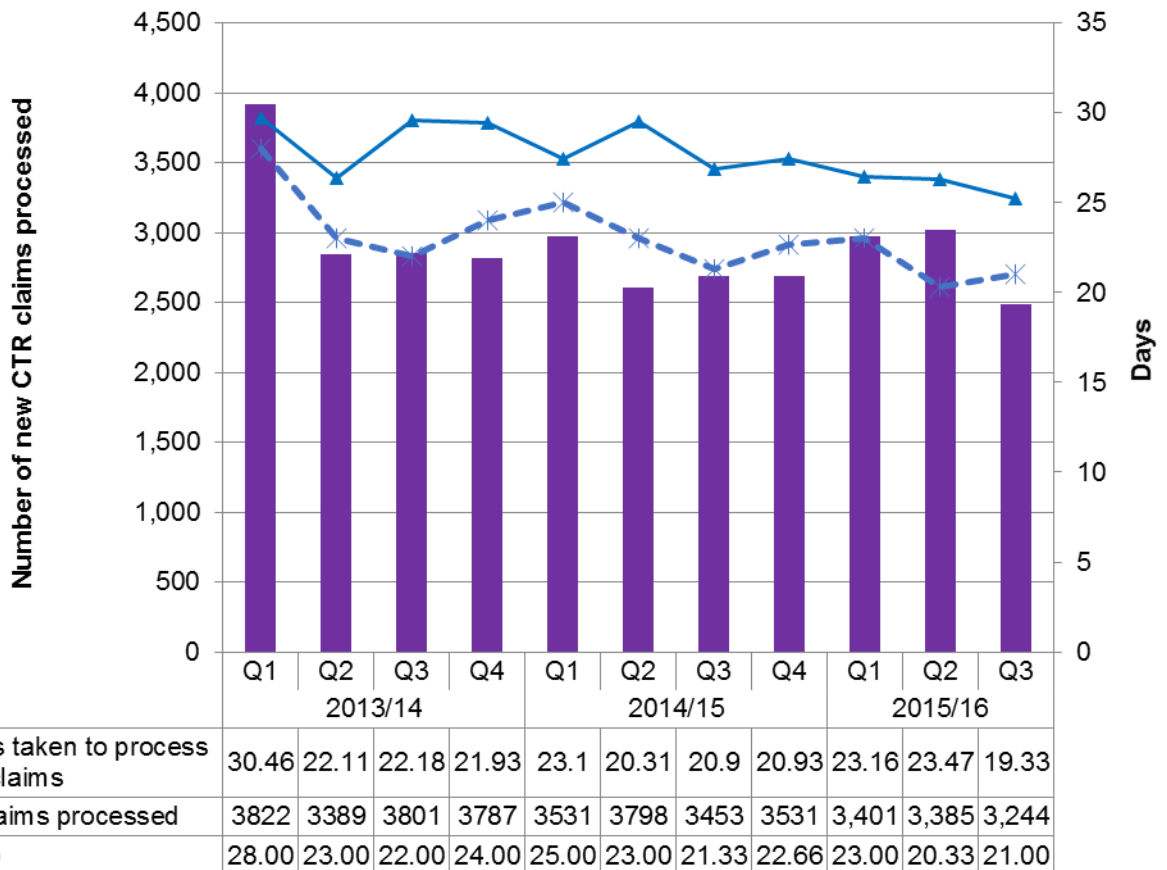
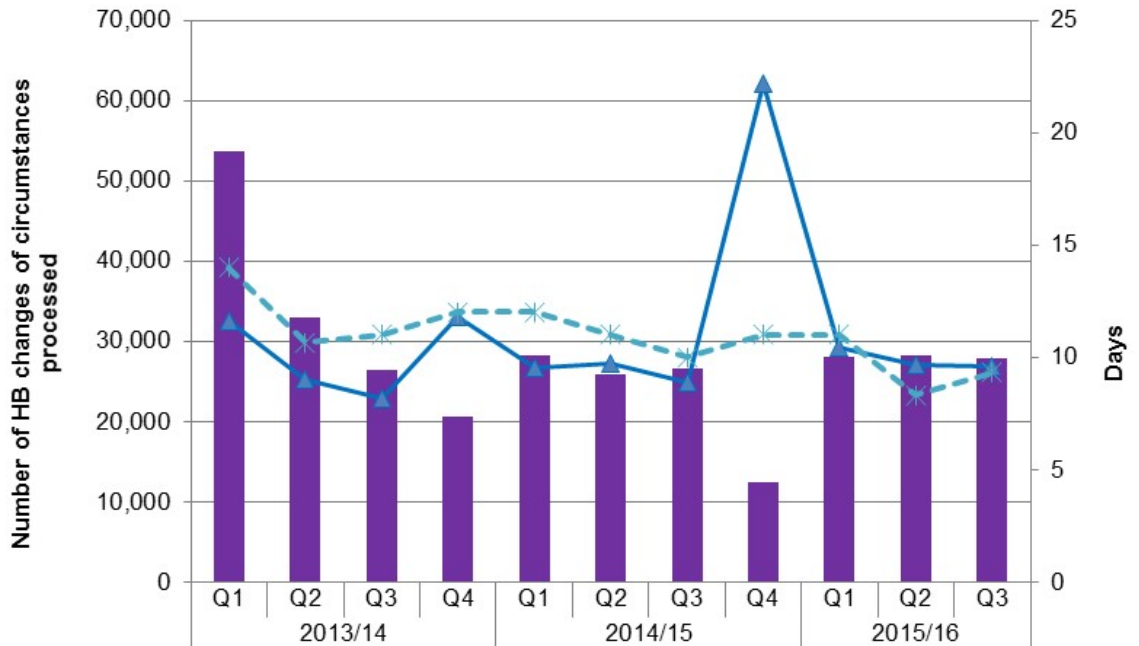


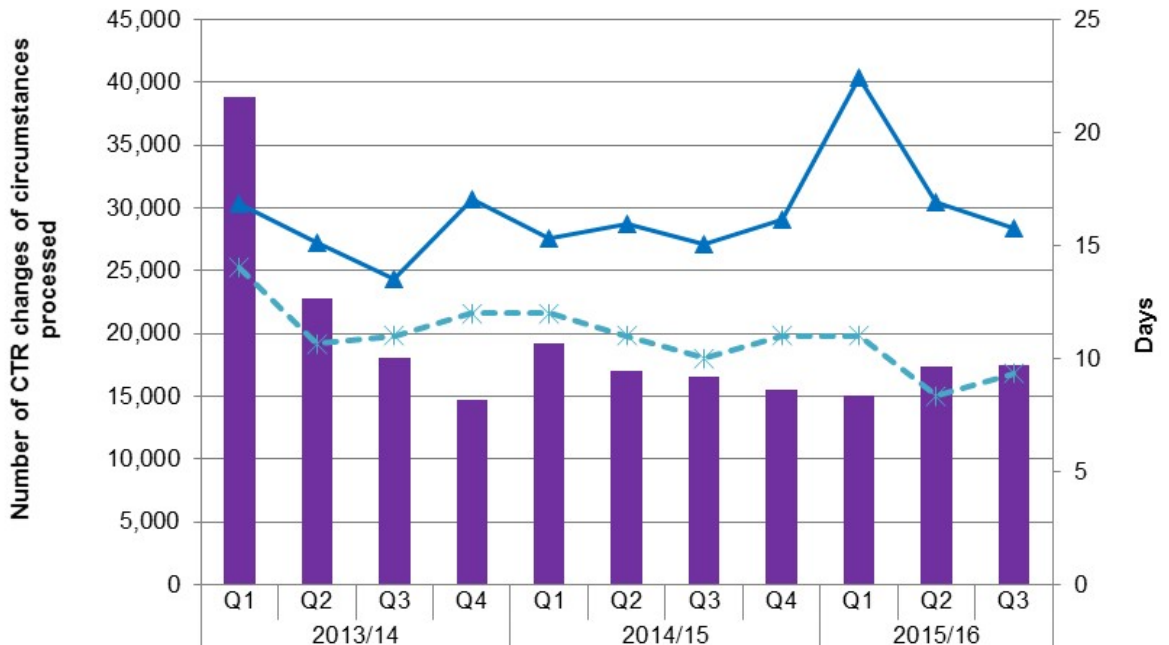
Chart 5 - Housing Benefits – changes of circumstances



■ Average days taken to process	19.18	11.74	9.45	7.36	10.11	9.24	9.47	4.43	10.01	10.09	9.92
▲ Number of changes of circumstances processed	32,574	25,152	22,873	33,015	26,679	27,308	24,881	62,175	29,207	27,126	26,868
- * - Target (days)	14.00	10.66	11.00	12.00	12.00	11.00	10.00	11.00	11.00	8.33	9.33

The way in which the change of circumstance is processed changed in quarter one 2015/16, which means that some multi-changes are now counted more than once where previously it would have been counted as just one change. Volume data for 2015/16 is therefore not comparable with previous data.

Chart 6 - Council Tax Reduction – changes of circumstances



■ Average days taken to process	21.59	12.68	10.05	8.17	10.65	9.43	9.20	8.62	8.34	9.66	9.72
▲ Number of changes of circumstances processed	30,326	27,215	24,319	30,707	27,570	28,732	27,090	29,043	40,416	30,439	28,315
- * - Target (days)	14.00	10.66	11.00	12.00	12.00	11.00	10.00	11.00	11.00	8.33	9.33

The way in which the change of circumstance is processed changed in quarter one 2015/16, which means that some multi-changes are now counted more than once where previously it would have been counted as just one change. Volume data for 2015/16 is therefore not comparable with previous data.

Appendix 5: Welfare Assistance Scheme and Discretionary Housing Payments

	2014/15			2015/16		
	Grant Received	Spend Incurred	(Under) / Over	Grant Received	Spend Forecast	(Under) / Over
Discretionary Housing Payments	1,096,133	1,146,867	50,734	981,783	981,783	-
Welfare Assistance Scheme	1,900,416	1,311,767	(588,649)	1,000,000	743,000	(257,000)

Any underspend is held in a specific Earmarked Reserve set aside to fund Welfare Reform initiatives.