Rother District Council   Agenda Item: **5.2**

Report to	-	Overview and Scrutiny Committee
Date	-	28 January 2019
Report of the	-	Executive Director
Subject	-	Key Performance Targets 2019/20

Recommendation: It be **RESOLVED**: That Cabinet be requested to approve the corporate Key Performance Indicators for 2019/20 and their performance targets as set out in Appendix A of the report.

Head of Service: Ben Hook

Introduction

1.   The purpose of this report is to set out the proposals for measuring the Council's corporate performance for 2019/20 in the context of corporate priorities and the resources available. Members are requested to select a small set of corporate Key Performance Indicators (KPIs) and agree their target levels of performance for the next financial year. The purpose of the reported KPI set is to manage the performance of the authority at a focused and prioritised level.

Background

2.   Historically, a set of KPIs has been reported quarterly to the Overview and Scrutiny Committee (OSC) to assess the performance of the organisation and key areas of business. These KPIs provide an overview of selected areas of performance but OSC Members are able by agreement to review any other area of the Council's business that may be of concern to them. Each year, the OSC considers and recommends to Cabinet a set of KPIs and the level of performance that Members wish to see delivered to residents.

Proposed KPIs

3.   Officers have had regard to Members' concerns that the KPI set should contain a small number of indicators relevant to areas that fall within the Council's control and that the set should remain compact with around 8 indicators in total. It is also felt that targets should, where possible, be benchmarked against performance in other local authority areas so that Council performance can be ambitious while remaining achievable. It is proposed that the indicators for 2019/20 should be reported within 4 themed areas and a qualitative report on each of these areas will be provided. The themed areas are:

➢   Housing and Homelessness (4 indicators)
➢   Benefits Performance (2 indicators)
➢   Waste & Recycling (2 indicators)
➢   Asset Income (2 indicators)

4.   The proposed KPI basket includes 10 indicators. In reality a number of other related indicators will be used to inform the qualitative information; this will give OSC Members a clear picture of performance in each of the themed areas as opposed to relying on narrow areas of performance. The provision of this additional information will allow OSC Members the ability to scrutinise more effectively and pass on any recommendations they have as a result of this to Cabinet.

Conclusion

5.   In conclusion, by using the recommended indicators, associated targets, and quantitative information, OSC Members will monitor the performance of the Council, and the delivery of key plans. Members are requested to consider the recommendations and propose an appropriate KPI set to Cabinet.

Dr Anthony Leonard
Executive Director

Risk Assessment Statement
There are financial, reputational, statutory and corporate health risks to the Council and, more importantly, the wider community if the Council does not monitor and manage its performance across all the services. In addition to the on-going performance management carried out by service areas, this report mitigates those risks because it ensures that Members have an opportunity to scrutinise the proposed targets and make recommendations and select their own priorities for improvement.

PROPOSED PERFORMANCE INDICATORS

Housing and Homelessness

INDICATOR	DESCRIPTION	CURRENT TARGET	PROPOSED TARGET
1. Average Length of stay in temporary accommodation (Lower is better)	Measures the average length of time (in weeks) that individuals or families were in temporary accommodation.	8.57 weeks (60 days)	71
2. Homelessness prevention per 1,000 households (Higher is better)	Measures the outcome or success of homelessness prevention activities. This includes all cases where a household's housing problem has been resolved through advice casework intervention.	1.25	1.25
3. Net additional homes built in the district	Monitors the delivery of new homes. This indicator measures the net increase in dwelling stock over one year.	238 homes	385[1] 449 (local plan target)
4. Number of affordable homes delivered (gross)	Monitors the delivery of affordable housing units (newly built, including gains from conversions such as subdivision, or acquired).	10 homes	46[2] 138 (local plan target)
Housing & Homelessness: position statement			
Demand for all forms of affordable housing continues to increase, with the supply of social housing being a key tenure failing to keep pace with this demand. The lack of affordable housing supply locally alongside the impact of welfare benefit reforms are the principle drivers of increasing levels of homelessness, sofa surfing, poor quality living conditions and rough sleeping. A significant portion of affordable housing delivery both for rent and shared ownership is dependent on the delivery of private housing developments. Although housing delivery for all tenures is increasing, it does not meet the expected Local Plan targets or keep pace with rising levels of demand. The four high level indicators above, together with evidence based qualitative information will help Members to monitor the strategy action plan on an on-going basis, and inform decision making with regards to recommendations to Cabinet.			

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[1] **Estimated target based on developer delivery programmes (as of data Oct 2018)**

[2] **Estimated target based on delivery programme. This target will be reviewed in March 2019 with an updated target provided in the quarter 2 report.**

Benefits Performance

INDICATOR	DESCRIPTION	CURRENT TARGET	PROPOSED TARGET
5. Housing Benefits: New claims processed on time	The average time taken in calendar days to process all new claims in Housing Benefit from date of receipt to date of decision.	35 days	28 days
6. Housing Benefits: Existing claims processed on time	The average time taken in calendar days to process all change events in Housing Benefit, from date of receipt to date of decision. Change Event: Notification of a change of circumstances which requires a decision to be made by the local authority but excluding automatic up-rating and annual council tax increases.	20 days	14 days

Benefits Performance: Position statement

These KPIs measure the time taken from when a new claim or a change in a claimant's circumstances has been notified to the Council until the claim has been processed. The clock starts from the date the application is received and the measure includes all time taken to gather further information or clarify any queries with the claimant.

Current performance for each indicator is set out above and as detailed in the Housing Benefit Service Improvement Plan; the ambition is to improve on the national District Average performance by 2020. This is currently 21.25 days for new claims and 7.5 days for change of circumstances based on the latest published figures (2017-18). A further level of analysis is necessary to identify the performance of those District Councils where Universal Credit (UC) has been rolled out. This is because there is an impact on the processing times for housing benefit due to the likely high number of changes to UC claimant entitlement each year which affect their Council Tax Reduction (CTR) entitlement. For this Council and most others, claims for CTR are assessed by the same team that assesses housing benefit and therefore the increased CTR workload negatively impacts on the team's processing times.

The targets for the coming year have been set on the basis of gradual improvement for the year and therefore are a mid-way point between what is currently being achieved and the District Council average quoted above.

Other indicators that help to understand performance include monitoring the percentage of claims processed within the target time. The last assessment of this indicated that in excess of 50% of claims were processed on time or less. It is also important to understand the real volume of work outstanding and with the new document image system it is possible to report this to a higher level of accuracy.

Waste & Recycling

INDICATOR	DESCRIPTION	CURRENT TARGET	PROPOSED TARGET
7. Waste re-used, composted & recycled	The percentage of household waste which have been sent by the authority for reuse, recycling, composting or anaerobic digestion.	50%	51% as shown in Waste Data Flow
8. Missed bins per 1,000 collections	The pre-calculated number of all missed black residual household waste bins expressed as per 100,000 of these bins that are due to be collected.	60 as per Kier contract	120 As per new contract specification
Waste & Recycling: Position statement			

There is an EU target for the UK to re-use, recycle and compost at least 50% of household waste by 2020. According to the government Waste Data Flow site statistics, Rother Council achieved 50.2% in 2017/2018. Local authorities are awaiting Government directives on the future direction for recycling, expected by the end of this year. In the meantime, in view of the change to a fully co-mingled glass and dry recycling collection from 29 June 2019, Rother suggests an interim target of 51% until more detail is received from the Government.

The successful delivery of residents' waste collection service can be measured effectively by the number of bins that are not collected by the waste collections contractor on the residents' scheduled bin collection day. Bins that are not collected on the scheduled day are referred to as 'missed bins' and are monitored on a daily and weekly basis.

The current missed bin target of 60 per 100,000 has never been achieved so a revised target of 120 per 100,000 is included in the contract specification for year 1 of the new contract. This is a more realistic target for missed bins within the first year of the new contract and will be reviewed as part of the Annual Improvement Plan each year.

Asset Income

INDICATOR	DESCRIPTION	CURRENT TARGET	PROPOSED TARGET
9. Return on investment from investment assets	Monitors whether or not the council is returning the required minimum level of return on investment.	6%	6%
10. Asset income total	The overall income from investment assets.	£841,436	£1,520,000
Asset income: Position statement			

In order to ensure the continuity of council services in the long term it is important to increase the income generated through our property portfolio. With £35m of borrowing approved to add to this portfolio through acquisition and development, the Council requires a return of 6% to ensure that medium term targets are reached.

The targets proposed show the overall income generated by the portfolio and the return we are achieving on our investments. This provides Members with a clear picture of the progress being made towards targets.

The Asset Income Total only relates to properties considered as investment for which market rents are paid. This does not include 'community' assets which might also generate an income such as car parks, sports facilities, allotments etc.

The Return on Investment figure shows the income as a percentage of the value of the portfolio. The value of the portfolio is based on the valuation of the existing assets from 2015 and the purchase/development costs of all new assets.