



PERFORMANCE & RISK MANAGEMENT FRAMEWORK 2014/15
OUTTURN
REPORT OF DEPUTY CHIEF EXECUTIVE (CORPORATE DIRECTION)

WARDS AFFECTED: ALL WARDS

1. PURPOSE OF REPORT

- 1.1 To provide the Committee with the 2014/15 end of year position :
- Performance Indicators (PIs) including available benchmarking
 - Service Improvement Plans (SIPs)
 - Corporate risks
 - Service area risks

2. RECOMMENDATION

That the Committee:

- 2.1 Note the end of year (2014/15) position for items listed at 1.1 above
- 2.2 Recommend any actions that should be taken to improve performance on indicators failing to meet target
- 2.3 Review risks that pose the most significant threat to the Council's objectives and priorities (risks with a net level score of 9, 8, or 7)

3. BACKGROUND TO THE REPORT

- 3.1 Hinckley and Bosworth Borough Council provide a wide range of services that are delivered to the community and set strategic aims that help focus on priorities in order to deliver the vision: **“A Borough to be proud of”**.

This is achieved by managing performance in the following ways:

- On a daily basis within each section
 - On a monthly basis within each service area
 - On a quarterly basis through the council's decision-making process
 - On an annual basis through the production of the council's “Corporate Plan”
- 3.2 The Council's performance is monitored through Service Improvement Plans and includes performance indicators which are measurable. These are set up by the Council to show how well local priorities and objectives are being met.
- 3.3 Inherent in the corporate aims and outcomes are “risks” that create uncertainty. The Council recognises it has a duty to manage these risks in a structured way to help ensure delivery of priorities and to provide value for money services. The Council has a Risk Management strategy which sets out the framework for the monitoring and management of risks.
- 3.4 Performance and risk management is embedded into all the Council's business activities in a structured and consistent manner. All Service Improvement Plans which include Performance Indicators and Risks are held and managed on the Council's performance management system: TEN

4. OVERALL SUMMARY – 2014/15

4.1 Performance Indicators – for the financial year 2014/15 there were **sixty seven** indicators set that measured and monitored performance across council services.

Thirteen of these indicators did not meet the target set at the beginning of the year:

Indicator	2014/15 Target	2014/15 Actual	Variance to target	Comments
Human Resources - percentage of employees with a disability	4.5%	3.2%	28.0%	A number of employees who had stated they had a disability have left the authority. The target for 2015/16 has been reduced to 4%.
Housing Benefit - overpayments collection rate	45.00%	38.20%	15.01%	Collection rates have been impacted by a number of factors including external economic pressures. It should be noted that whilst the target has not been met the number of overpayments has increased as a result of effective fraud investigations and the real time information from the DWP. This is a positive step as the overall benefit bill is reduced.
Facilities Management (Non HUB): achievement of customer service requests (maintenance type) 10 to 30 day	70.00%	58.00%	17%	Performance poor for first two months (also reflected in the later half of 2013-14) due to an imbalance between demand and resources within Estates having taken on the Hinckley Hub and the Jubilee Building. However, in recognition of the overall challenge, a new Facilities Officer position was created and the new appointee very rapidly made ingress into performance which reached a high of 80% against the target 70%. However, it was not statistically possible for several months of good performance to outweigh the poor start and show the year end accumulated-outcome at the target level

Indicator	Target	2014/15 actual	Variance to target	Comments
Customer Services - appropriate person sees customer within ten minutes	85.00%	69.80%	18%	<p>Data was not available for February and March 2015 due to a system error which was not dealt with by the supplier on a timely basis. The actual performance quoted is therefore for January 2015.</p> <p>The time taken to serve customers on the POD's has risen in year due to the increased level of support required by customers. It should be noted however that customer satisfaction figures continue to exceed target. On this basis, the target for this indicator has been reduced by 5% for 2015/16 and satisfaction targets increased by 5%.</p>
Housing - average time to re let General Needs housing	15 days	25 days	67%	<p>Our performance this year has been effected by changes to the Allocations Policy introduced in April 2014 requiring allocations to be halted for 3 weeks to allow for a transition period, the introduction of a weekly bidding cycle with an increase of processes and workload and also pressures on the Housing Repairs team which have all affected void turnaround time. Measures were put in place to increase performance and additional capacity has been introduced but unfortunately, we have not been able to overcome the deficit from the start of the year.</p>
Customer Services – lost calls	15.00%	16.67%	11%	<p>Performance for this indicator was impacted in the early part of the year by annual billing. Later in year an issues was identified with how calls for the revenues and benefits partnership were being directly. Both issues have now been rectified and therefore performance should improve in 2015/16.</p>
Working days lost due to sickness absence	8.00	8.45	5%	<p>The Attendance Management Framework is to be reviewed in 2015/16. It is envisaged this will improve sickness performance.</p>

Indicator	Target	2014/15 actual	Variance to target	Comments
Council tax - in year collection rate	98.10%	97.90%	0.2%	<p>Current collection rates by number of factors including external economic pressures and the move from council tax benefit to a locally determined council tax reduction scheme. Working age Council Tax payers have to pay a minimum of 12% of their council tax</p> <p>Additionally council tax payers now have the right to pay over 12 months so in year collection profile has had to change to allow for the fact that a proportion of our customers now pay through to March instead of finishing in January. February and March historically a time when recovery action could be concentrated to maximise collection by the end of the financial year, however this isn't now possible as some instalments still due in February and March". Policies have now been amended to allow recovery action to begin earlier in the month.</p>
Rent collection & arrears recovery - evictions	0.17%	0.20%	15%	Eleven evictions in total
Licensing - Hackney carriage driver licenses issued within sixty days	96.00%%	95.20%%	0.8%	7 licences out of 166 have fallen outside time limit PI due to failure of DVSA driving test / awaiting medicals, DBS disclosures etc
Increase footfall at Hinckley Leisure Centre	662,406	608,254	8%	Reflects the national trend which shows a decrease in swimming participation.

Indicator	Target	2014/15 actual	Variance to target	Comments
-----------	--------	----------------	--------------------	----------

No of participants in the GP exercise referral scheme	750	703	6%	Officers are working with the 13 GP practices to ensure Doctors refer patients to the scheme.
Resident satisfaction with - waste recycling	90%	85%	5.5%	It is likely that satisfaction reduced following campaign to improve the quality of recycling collected.

4.2 Indicators not reported:

Indicator	Target	2014/15 YTD	Variance to target	Comments
Non decent council homes	1.00%	N/A	N/A	Out turn not being reported due to irregularities identified through the Internal Audit review from 14/15. Will be rectified as part of new system implementation through 15/16
CO2 reduction from Local Authority operations	4% (reduction)	N/A	N/A	Awaiting year end figures

4.3 Benchmarking indicators - As part of an East Midlands Performance Benchmark group initiative there are currently **four** indicators which can be compared against other district councils. The group is currently working to agree additional indicators to benchmark. The table below shows the latest status (4th quarter 2014/15) of agreed indicators against all (participating) district councils in the UK:

Indicator	No of participating district councils (UK)	UK district average	HBBC performance	HBBC rank	HBBC rank of quartile
Residual household waste per household	81	121kg	106kg	17	Top quartile
Percentage of household waste sent for reuse, recycling and composting	86	41.4%	44.5%	37	3rd quartile
Average number of working days lost to sickness absence per FTE	99	2.4	2.7	75	3 rd quartile
Number of formal complaints received per 10,000 population	103	8.34	1.5	16	Top quartile

4.4 Service Improvements Plans (SIP) – In total for 2014/15 there were **three hundred and fifty** SIP actions across all council services.

Twelve service improvement plans were highlighted by service managers/lead officers as slipping from their original intended target date/s:

SIP Action	End of year comments	New target date if carried forward to 2015/16
Capita Mobile Solution (<i>Revs & Bens</i>)	[May 14] Implementation date dependent upon structure changes Revised timeline End July 2015. Dependent upon software supplier to enhance the product to work in a shared service environment To be c/fwd	July 2015
Procure a new responsive performance management tool (<i>Revs & Bens</i>)	Procure by end August 2014. Implementation by end December 2014. [March 2015] The IRRV has been tasked with providing recommendations as to a suitable management tool.	September 2015
App07_Upgrade Local View [14/07] (<i>ICT services</i>)	Local View Test System upgraded in July 2014. Initial testing phase highlighted number of issues which have been logged with ESRI (System Supplier) for rectification. Upgrade cannot go ahead without the issues being logged. Delay not affecting the users as the upgrade is of a technical nature. ESRI provided corrections to the issues in November 2014, but did not resolve the problem. Steria have referred the issues back to ESRI. ESRI have provided resolutions to all the known problems and users are now testing the system. The live upgrade is now being planned for May 2015.	October 2015
Deliver minor and major social services adaptations within required timescales and budget by Apr 2015 (<i>Housing Repairs</i>)	Had experienced increased demand on this budget but ultimately it was managed within budget. Outturn actual of £413,359 against budget of £416,875.	April 2016
Review property performance data against Local comparator group (<i>Estates & Assets</i>)	Proved very difficult to find willing participants amongst local authorities and through ACES..	N/A
Preston Rd POS, provision new toddler/junior play area & landscaping to site (GSDP 1, March 2016) (<i>Street Scene</i>)	Consultation carried out. Works to take place once section106 money has been received. Q2 - highly unlikely S106 will be received in time for works to be completed this financial year. Completion date amended. Q4 S106 money not received so unable to complete projects with current financial year, project re-allocated for year 2 (2015/16) of GSDP.	March 2016
Complete a programme of 273 interventions in all health and safety premises as	Q1 - 18 advisory visits carried out no questionnaires sent as yet. Q2 - total 39 premises have received an advisory visit, no questionnaires sent out, recognise need to increase intervention rate.	March 2016

determined by the Councils risk rating schemes and Environmental Health Service Delivery Plans (<i>Environmental Health</i>)	Q3 - 106 interventions carried out, including the 3 high risk inspections. Questionnaires now being sent with a few returned. Due to carrying an Officer vacancy for the whole of last quarter not expected to achieve target, probable prediction of 85% with all high risk premises having received an inspection. Q4 - 211 interventions achieved, representing 77% of target (273). 88% inspections completed, only 67% questionnaires returned officer vacancy for 3mths affected result.	
Complete a programme of 592 interventions in all food premises as determined by the Councils risk rating schemes and Environmental Health Service Delivery Plans (<i>Environmental Health</i>)	Q1 - good start to target 116 premises inspected. Q2 - 231 interventions completed to date. On target. Q3 - 354 interventions completed to date. Due to carrying an Officer vacancy for whole of last quarter unlikely to achieve target, possible achievement will be 85%. Q4 - 519 interventions achieved 87% of target (592). 91% of inspections achieved, only 60% of questionnaires returned result affected by Officer vacancy for 3 mths.	March 2016
Queens Park (Phase 2) access and landscape improvements to site, including cycle route, play and gym equipment (GSDP 6, March 2015) (<i>Street Scene</i>)	Q3 - Quotes being sort from LCC and others for the resurfacing of the main pathway through the site. Outdoor fitness equipment order for installation in the spring. Q4 - Fitness equipment ready for installation, footpath resurfacing works ordered. New heritage lighting planned for Summer 2015. Project delayed due to section 106 not being available	March 2016
Support the new Wharf Community Consortium to develop the facility (<i>Cultural Services</i>)	Q1, Q2, Q3 Q4: Support provided to groups around possible funding streams while waiting for legal process surrounding ownership to be resolved.	March 2016

SIP Action	End of year comments	New target date if carried forward to 2015/16
Utilise vehicles telemetrics to reduce fuel (diesel) consumption across the street scene fleet through improvements in driving efficiency (March 15) (<i>Street Scene</i>)	Establish base line use, monitoring systems, and then identify drivers requiring training. Consider staff reward system. Target is 5% reduction in fuel use across the SSS fleet. Q3 - Driver training commenced January 2015 for the top 5 drivers identified with lowest driving style for fuel efficiency. Currently on 3.82% reduction, however fuel purchased is down £10000 compared to last year, this is due to the reduction in fuel costs. Initial target now considered unrealistic as driving styles have improved. Removal of return for none presented wheelie bins will assist from 1/4/15.	
Review emergency call out service provided (Sept 14) (<i>Street Scene</i>)	Q2 - review complete and will be referred to COB at end of Oct 2014 for ratification. Est saving £5k pa. Q3 - corporate review now being undertaken. No further action until this is complete Q4 - as above	

4.5 Corporate/Strategic risks – There were a total of **thirty** risks on the corporate risk register as at the end of 2014/15. Of these, **fourteen** are high (red) net risk level and are detailed below.

Red risks are those that have been identified as posing the most significant threat and are reviewed on a monthly basis to ensure actions are adopted to reduce the likelihood of the risk happening and/or reduce the level of impact the risk poses:

Risk	Review commentary	Last review
S.06 - Failure to implement the Town Centre Plan	Construction programme continuing to timetable for completion November 2015. Good progress being made in securing tenants. Applications for private gym operators are being submitted imminently. Press release for an additional major occupier will be launched week of 20 April 2015. S278 requirements are agreed between developer and LCC and works are programmed imminently. Public Realm scheme proposed for Station Road programmed to commence in July 2015 for completion by November 2015. The new Squash facility on Coventry Road is progressing on programme. The scheme will be complete by July 2015 and operational in August 2015.	April 2015

Risk	Review commentary	Last review
------	-------------------	-------------

S.11 - Failure to successfully deliver the Medium Term Financial Strategy	The medium term financial position of the Council remains challenging but the short term position for 2015/16 has improved principally due to anticipated development control income exceeding the budget for the current 2014/15 financial year (allowing amounts to be transferred to Reserves) and due to the review carried out by Capacity Grid that has identified homes that were registered for Council Tax purposes as empty but are in fact occupied and therefore subject to Council Tax and attract additional New Homes bonus of circa £220K for the next 6 years. A further review by Capacity Grid should identify further NHB in 2015/16. Further support has been demonstrated by the ruling group over introducing new charges e.g. charge for pre-application planning advice for domestic planning applications and a charge for replacement bins that have been damaged by residents. This together with a formula grant settlement at a 16.4% reduction as anticipated means that should be no need for reductions in staff or services in 2015/16 but the position needs to be under continuous review, particularly in light of probable further cut back at the County Council having a knock on impact on this Councils budgets.	April 2015
S.12 - Insufficient Business Continuity Management (incl Disaster recovery) arrangements	COB will continue to monitor SLB has undertaken exercises on emergency planning scenarios	April 2015
S.14 - Dealing with numerous Public Enquiries	Following a recent appeal for a large housing site in Groby. Whilst the appeal was dismissed, the Inspector confirmed the Council did now not have a five year supply and advised of an alternative methodology to be used. The Council is awaiting the outcome of other pending appeals to see if an alternative position is taken by other Inspectors as appears to have been the case over the past 12 months with the inconsistency from the Planning Inspectorate. A number of planning applications have been recently refused at Planning Committee for major housing development, contrary to officer recommendation. This reduces the chances of being able to successfully defend the decision and exposes the council to claims for costs. This is being addressed through pre-agenda discussions and Member training.	May 2015
S.15 - Failure to successfully adopt & deliver LDF	The Housing Allocations DPD was submitted to the Inspectorate in March 2015 and an Examination in Public is likely to take place in July 2015.	May 2015
S.22 - Failure of County Council Support/ engagement for the LSP	Leicestershire County Council has not responded to a request to complete its own benchmarking exercise for Leicestershire Together. However, they have recently announced a fundamental review of Leicestershire Together, with a view to reducing resourcing to the Partnership along with questions being raised by LCC Chief Executive over the effectiveness of the Partnership	May 2015

Risk	Review commentary	Last review
S.25 - Failure to provide a fit for purpose Leisure Centre	Leisure Centre construction contract is progressing well and is on programme to be delivered May 2016. The interim contract for the existing Leisure Centre is now operational and transitional arrangements have gone well. Concern has been raised by PFP, the new operator and Council partner, over the potential impact of the two private gym proposals within the Crescent Scheme. HBBC management is in dialogue with PFP representatives seeking to resolve the matter.	April 2015
S.33 - MIRA RGF Fund	The scheme is now substantially complete as confirmed at the RGF Project Board on 15 April 2015. Remedial snagging will continue and safety audits are programmed in advance of transfer over to Highways England. External Auditors have signed off the fact that the scheme has met job targets and monitoring arrangements are in place over the five year life of the contract. A formal claim has been submitted by the contractor and negotiations are underway to seek to limit the impact within the available budget for the scheme. It is anticipated an agreement will be secured within the region of £6.3m which is within budget. CLG are reviewing whether funds can be carried over into 2016 for the 12 month maintenance period which will commence on formal handover of the scheme from the contractor to Highways England.	April 2015
S.34 - Safeguarding of vulnerable adults, children & young people	Section 11 Audit completed and issued to LCC. Fully compliant in all 9 areas. On average 2 referrals are submitted per week by HBBC employees	April 2015
S.36 - Variances to Housing Repairs Account	Budget continues to be monitored closely and regularly. Spend is always dependent upon customer demand.	April 2015

Risk	Review commentary	Last review
S.37 - Non delivery of	Members made the decision at full Council on 2nd September 2014 to add to the specification of the swimming pool in the new Leisure	April 2015

<p>capital projects which are interdependent</p>	<p>Centre. This will add a further £500K to £705K to the cost of the Leisure centre (this is in addition to the £1m cost of the ground remediation work that was previously reported). This now takes the total cost of construction to just over £15m. The cost of the ground works and the moveable floor has resulted in a shortfall in capital funding which has been met through utilisation of the Hub rental reserve (£1m) and by borrowing. This has meant that the Council can no longer consider the following new capital schemes that were being considered:</p> <ul style="list-style-type: none"> • Purchase/development of staff car park (est £900K) • Purchase of HUFC (est' £750K) • Purchase/rescue of Springfield Park (not quantified) • Resolution of Klondyke <p>The greatest impact is on lack of parking for staff at the Hub which is leading to increasing complaints from residents and Council will at some point need to revisit this project.</p> <p>The Council could have purchased HUFC if the whole site was consolidated into one title. This could have been achieved by the Council's intervention but the cost of the moveable floor has precluded this option. As a consequence the Council is now coming under pressure to take some action.</p> <p>Klondyke- no grounds for CPO and therefore this project has been dropped</p>	
<p>S.43 - Leicestershire County Council budget cuts</p>	<p>LCC have given notice of withdrawal of green recycling credits from 2015/16. This impacts HBBC budgets by taking away income of around £320K which has now been planned for in the Council's MTFS and budget for 2015/16.</p> <p>LCC also announced that their financial position has worsened so it is likely that they will also remove dry recycling credits from 2017/18. This could mean a further £550 loss of income.</p> <p>In addition, as LCC position worsens to a budget gap of £130m with some savings not yet identified there is a likelihood that further decisions on budget reductions will continue to have an ongoing impact on Leicestershire District council's budgets.</p> <p>Position is under constant review and forms part of MTFS revision approved by Council in March 2015 and will form part of the full revision in September/October 2015 following the local and national elections on 7th May 2015.</p>	<p>April 2015</p>

Risk	Review commentary	Last review
S.45 - Council does not prevent or detect fraudulent activities	Leicestershire Transformation Bid successful. Kat Plummer now working with Leicester City (accountable body) and the Leicestershire revenues and Benefits Partnership to set up a counter fraud service. This should be in place by 31 March 2015. Review of Whistle blowing Policy complete. This revealed a lack of understanding of process to follow. Chief Executive has included a clarification note in the Monthly Newsletter. Taken appropriate action to inform members of staff and elected Members	April 2015
S.46 - Construction of Hinckley Leisure Centre	The construction program is on target Cash flow is being updated to reflect actual spend Pro-active communication via media and with key stakeholders	April 2015

4.6 Service area risks - There are a total of **one hundred** service risks across all areas which are kept on individual service area risk registers. Of these, **five** have a high net risk level (red risks) and are detailed below:

Risk	review commentary	Last review
CPS.41 - Staff levels (<i>Corporate Governance</i>)	There are currently capacity problems predominantly within the Legal Team due to workload and turnover - a new structure has been agreed in order to increase resource and to redistribute workload. Interim Manager now in post and recruitment underway for Property Solicitor and Paralegal.	April 2015
PHR.11 - Tenants - heating affordability (<i>Housing & Community Safety</i>)	To mitigate the effects of black spot mould forming in Council dwellings, a process and procedure document has in collaboration with the Anti-Social Behaviour and Tenancy Manager been written. This highlights the required procedure when dealing with a report of black spot mould, a surveyors defects tick sheet to identify or eliminate constructional defects, a risk assessment tick sheet to identify tenants issues and the potential intervention of the Energy Officer from the Private Sector Housing Team to alleviate fuel poverty. Also in an attempt to alleviate fuel poverty the Housing Repairs team, in association with the Private Sector Housing team are developing a project to install Photo Voltaic (PV) Cells on suitable Council properties to provide free daytime electricity. (at no cost to the Council or tenants)	April 2015
DLS.42 - Meet the need of Gypsy and Travelers in the borough (<i>Planning</i>)	Recent planning permissions have been granted which helps to boost the supply of gypsy and traveler pitches in the Borough. Additional pitches will be required each year to meet demand. An updated Gypsy and Traveler Accommodation Assessment has been commissioned to ensure compliance with Planning Policy for Travelers. This will tell us how many additional pitches are required for the remainder of the Plan period (up until 2016).	May 2015

Risk	Review commentary	Last review
DLS.44 - Five year housing land supply (<i>Planning</i>)	1. Barwell Section 106 Agreement reached an advanced stage. Planning permission expected to be issued by July 2015. 2. Discussions with developers on-going to encourage submission Earl Shilton SUE planning application. 4. Sites within the Site Allocations document are being promoted for early delivery. This includes West of Hinckley, which has been submitted and expected to be reported to Planning Committee in July 2015. 5. Member engagement / training in relation to housing developments will be a priority in 2015/16 6. Site Allocations & DM Policies DPD submitted for examination March 2015. Examination expected July 2015. 7. Encourage additional SHLAA sites to come forward for development as per paragraph 4.12 of the Core Strategy. 8. Developer Forums re-convened on Earl Shilton, Barwell and West of Hinckley. New Major Projects Manager post created to oversee these key projects.	May 2015
SS.33 - External funding (<i>Street-scene</i>)	LCC consultation underway September 2013. Ensure any proposals are robustly discussed at Leicestershire Waste Partnership and Environment Board. Strategic Joint working being explored for waste management across Leicestershire	Sep 2014

5. FINANCIAL IMPLICATIONS [KP]

None arising directly from this report.

6. LEGAL IMPLICATIONS [MR]

None arising directly from this report

6. CORPORATE PLAN IMPLICATIONS

The report provides an update on the achievement of the Council's vision and revised Corporate Plan 2013 - 2016. The issues covered in this report relate to, and support the achievement of all the Council's Strategic Aims:

- Creating a vibrant place to work and live
- Empowering communities
- Supporting individuals
- Providing value for money and pro-active services

7. CONSULTATION

Each service area has contributed information to the report and the performance outturn information is available on the council's performance and risk management system TEN.

8. RISK IMPLICATIONS

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

This report summarizes all risks, strategic and operational (SIP) and therefore considers the risk implications with regards to the Corporate Plan.

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

Equality and Rural implications are considered as part of the implementation of the Corporate Plan 2013-16.

10. **CORPORATE IMPLICATIONS**

All

Background papers: TEN reports

Contact Officer: Cal Bellavia ☎5795

Executive Member: Cllr M Surtees