

# Report

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Report to:	<b>Performance and Review Scrutiny Forum</b>
Date of Meeting:	<b>18 May 2010</b>
Report by:	<b>Executive Director (Finance and Information Technology Resources)</b>

Subject:	<b>Statutory Performance Indicators 2008/2009 Update on Declining SPIs and Proposed Future Approach</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update regarding the improvement measures in place for those Statutory Performance Indicators (SPIs) which have exhibited a decline in performance from 2006/07 to 2008/09
- ◆ add some additional context through a comparison of the Council's relative position and ranking against other local authorities
- ◆ propose a refreshed approach to managing and monitoring SPIs as a result of the above, and the pending introduction of the Audit Scotland reduction in SPIs from 58 to 25

## 2. Recommendation(s)

2.1. The Performance and Review Scrutiny Forum is asked to approve the following recommendation(s):-

- (1) that the content of the report including the update on improvement measures and information on relative ranking, be noted;
- (2) that the proposed future approach, to prioritise those SPIs of most importance to the Council and to align these, as required, against targets for improvement be endorsed; and
- (3) that the outcomes from this future development work be brought back to a future meeting of the Forum.

## 3. Background

3.1. The recently reviewed Council Plan 'Connect' includes the following performance measure: sustain positive SPI trend results for the Council. During 2009, an exercise was undertaken to examine and report upon any declining SPI indicators.

3.2. The Performance and Review Scrutiny Forum at its meeting on 8 December 2009 considered a report which identified the improvement measures in place for all 16 Council SPIs which had declined from the period 2007/08 to 2008/09.

3.3. A further report was then submitted to the Forum on 2 March 2010 based upon the recently published Audit Scotland Data Compendium and SPIs 2008/09 publications. This report highlighted Council SPI areas of significant improvement or decline

(>15%) over the three year period 2006/07 to 2008/09 together with detail on the Council's ranking.

- 3.4. Following consideration of the March report, the Forum requested further information on two areas. Specifically, this related to a progress report on previously reported declining indicators and proposals to arrest any future decline.

**4. South Lanarkshire Council SPIs Declining >15% from 2006/07 to 2008/09**

- 4.1. Of the Council's total 16 declining indicators, Appendix A shows the 16 SPIs, with their ranking, which had a decline greater than 15% in performance from 2006/07 to 2008/09. From these 16 SPIs 14 have also declined in ranking relative to the other Scottish Councils. The remaining two have not been consistently ranked over the three year period to enable any comparisons to be made. Appendix A also provides progress information, where applicable, from Resource Officers on the previously identified improvement measures which have been and are being implemented to address the declining SPIs.

- 4.2. For 2008/09 a total of 58 SPIs were reported by South Lanarkshire Council. The Council's overall SPI performance for the last three years is summarised below:

	Indicators >15% improvement	Indicators >15% decline	Improvement to decline ratio	Numbers in top quartile	Numbers in bottom quartile
2006/07 – 2008/09	21	16	1.3	20	13
2005/06 – 2007/08	13	7	1.9	30	13
2004/05 – 2006/07	12	3	4	29	10

- 4.3. It can be seen from the table that while the Council has positively increased the numbers of indicators improving by >15% over the last year, the numbers declining by >15% have also increased quite markedly over the last three years rising from 3 to 16. This impacts adversely on our improvement ratio (a former indicator used to measure improvement by the Accounts Commission). In addition the number of indicators (as a % of the total) ranked in the top quartile has dropped from 51% to 35% over the last year. Whilst it is important not to look at any one figure in isolation, it is equally important to recognise and address any early emerging trend.

**5. Next Steps**

- 5.1. Appendix A indicates, that while progress is being made in Resources to address the Council's SPIs declining by >15%, there are a number of areas where future improvements may prove challenging due to competing demands or changes in policy. A more strategic and planned approach is now proposed to continue to manage and support the Council's position in relation to future SPI performance and development.

- 5.2. Audit Scotland recently issued its Direction in relation to the 2009/10 SPIs. This highlights a reduction in the number of SPIs being collected at a National level from 58 to 25. With the number of SPIs reducing and the Council facing unprecedented pressure to focus on its core business and how it is delivered, there is an opportunity to review our approach to SPIs. This review would categorise SPIs relative to Council priorities and on this basis, identify targeted improvements on a more proportionate and risk based basis than currently occurs.

- 5.3. This work would also help provide some additional analysis and context to those areas where the Council's performance may have stayed the same but our ranking may have reduced. This would ensure that future scrutiny and performance monitoring was focused on the relative importance of the indicator to the Council as well as in terms of the raw performance result.
- 5.4. On this basis it is proposed that a review of the 2009/10 SPIs is carried out by Accounting and Budgeting, in partnership with the Corporate Improvement Unit and the Corporate Improvement Advisory Board (CIAB). The review will examine the 25 2009/10 SPIs with a view to prioritising those which are of most importance to the Council and, where appropriate, assigning targets to these.
- 5.5. This exercise will be supported by reference to the existing Local Performance Indicators (LPIs) in place to ensure sufficient and relevant performance coverage exists for each Resource both in light of the reducing SPI suite and also the increased focus on costs, productivity and outcomes which forms the basis of the emerging Best Value 2 and efficiency agendas.
- 5.6. It is anticipated that this review will involve all relevant stakeholders and will take place in tandem with the collation and audit of the 2009/10 SPIs. It is proposed that the results be presented to the Corporate Management Team towards the end of 2010.

## **6. Employee Implications**

- 6.1. The review of SPIs will take place via the CIAB.

## **7. Financial Implications**

- 7.1. None.

## **8. Other Implications**

None.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 9.2. There was also no requirement to undertake any consultation in terms of the information contained in this report.

**Linda Hardie**

**Executive Director (Finance and Information Technology Resources)**

16 April 2010

**Link (s) to Council Improvement Theme: Performance Management and Improvement**

### **Previous References**

- Performance and Review Scrutiny Forum, 8 December 2009
- Performance and Review Scrutiny Forum, 2 March 2010

**List of Background Papers**

- Audit Scotland SPI Direction
- Audit working files

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Lorraine O'Hagan, Accounting and Budgeting Manager:

Tel: 01698 454617

E-mail: [lorraine.o'hagan@southlanarkshire.gov.uk](mailto:lorraine.o'hagan@southlanarkshire.gov.uk)

COMMUNITY RESOURCES								
Ref	Leisure Services	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
CC1	<b>Attendances</b> The number of attendances per 1,000 population for pools	16%	4,035	10 <sup>th</sup>	4,610	6 <sup>th</sup>	4,793	5 <sup>th</sup>
<b>Decline</b>		The number of attendances for pools per 1,000 of the population has decreased by 15.8% from 2006/07 to 2008/09.						
<b>Ranking</b>		The ranking for this indicator has fallen from 5 <sup>th</sup> in 2006/07 to 10 <sup>th</sup> in 2008/09. SLC attendance for 2008/09 is 4,035 which is still above the Scottish average for 2007/08 of 3,520.						
<b>Progress on Improvement Measure</b>		<p>SLC are working to improve health and physical activity generally by promoting healthier lifestyles. Within the 'Connect – 2009 Mid Term Review', a number of initiatives were noted to improve attendance figures and the results show that:</p> <ul style="list-style-type: none"> <li>SLL has doubled their aim of a 10% increase in attendance in the Lanark area by March 2011, with recorded attendances showing an increase of 20% and which has been achieved a year ahead of target. The new facility which opened to the public on 18 January 2010 has recorded more than 40,000 attendances up to the end of March 2010.</li> <li>SLL is on target to achieve their aim of having more than 15,000 registered members in the "Activage" scheme.</li> </ul>						

Ref	Environmental Services	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
WM1	<b>Refuse Collection and Disposal Costs:</b> (a) Net cost of refuse disposal per premise	18%	£75.47	15 <sup>th</sup>	£65.54	13 <sup>th</sup>	£64.09	13 <sup>th</sup>
<b>Decline</b>		The net cost of Refuse Disposal per premise has increased from £64.09 in 2006/07 to £75.47 in 2008/09. An increase of 17.8%. It should be noted that the Scottish average over the same period increased by 19.7%.						
<b>Ranking</b>		The ranking for this indicator has fallen from 13 <sup>th</sup> in 2006/07 and 2007/08 to 15 <sup>th</sup> in 2008/09. SLC's net cost of disposal is currently less than the Scottish average of £83.97.						
<b>Progress on Improvement Measure</b>		No improvement measure was identified for this indicator as the increase is a result of increasing landfill tax costs.						

## EDUCATION RESOURCES

Ref	Education	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
EC2	<b>Secondary Schools Occupancy</b> Secondary Schools where ratio of pupils is between 61% and 100%	34%	58.8%	28 <sup>th</sup>	64.7%	25 <sup>th</sup>	89.5%	9 <sup>th</sup>
<b>Decline</b>		The percentage of Secondary schools with 61% to 100% occupancy has decreased from 89.5% in 2006/07 to 58.8% in 2008/09. This is a flawed indicator. A number of our schools have occupation rates exceeding 100% which indicates better asset management practice than this indicator is capable of measuring.						
<b>Ranking</b>		The ranking for this indicator has fallen from 9 <sup>th</sup> in 2006/07 to 28 <sup>th</sup> in 2008/09.						
<b>Progress on Improvement Measure</b>		This PI is not in the Audit Scotland Direction for 2009/10. Education Resources do not intend to continue to report this as a performance measure. However, data will still be gathered in relation to school rolls.						

Ref	Libraries	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
CC4	<b>Changes in Library Stock: Adult Lending Stock</b> Percentage of national target met for replenishing lending stock	47%	25.4%	31 <sup>st</sup>	46.4%	30 <sup>th</sup>	47.5%	28 <sup>th</sup>
CC4	<b>Changes in Library Stock: Children and Teenage Lending Stock</b> Percentage of national target met for replenishing lending stock	47%	22.0%	31 <sup>st</sup>	65.0%	17 <sup>th</sup>	42.0%	28 <sup>th</sup>
<b>Decline</b>		The percentage of adult stock additions which met the target decreased from 47.5% in 2006/07 to 25.4% in 2008/09.  The percentage of children's and teenage stock additions which met the target decreased from 41.8% in 2006/07 to 22.0% in 2008/09.						
<b>Ranking</b>		The ranking for adult stock additions has fallen from 28 <sup>th</sup> in 2006/07 to 31 <sup>st</sup> in 2008/09.  The ranking for Children and Teenage stock additions has fallen from 28 <sup>th</sup> in 2006/07 to 31 <sup>st</sup> in 2008/09.						
<b>Progress on Improvement Measure</b>		The budget entitlement relating to the purchase of library stock at the start of 2009/10 is the same level as at the start of 2008/09. Cost pressure savings during 2009/10 have continued to impact on this PI.						

## ENTERPRISE RESOURCES

Ref	Planning	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
DS1	<b>Planning Applications Processing Time</b> (b) All applications – percentage dealt with within 2 months	17%	66.4%	15 <sup>th</sup>	72.4%	7 <sup>th</sup>	76.4%	5 <sup>th</sup>
<b>Decline</b>		The total percentage of applications dealt with within 2 months fell from 76.4% in 2006/07 to 66.4% in 2008/09.						
<b>Ranking</b>		The ranking for this indicator has fallen from 5 <sup>th</sup> in 2006/07 to 15 <sup>th</sup> in 2008/09. The 2008/09 performance (66.4%) is still above the Scottish average of 60.1%.						
<b>Progress on Improvement Measure</b>		<p>The figures for all applications for the remainder of 2009/10 continued to decline - Q3 58.8%; Q4 50.9%. The overall figure for 2009/10 is 60.5% of all applications dealt with within 2 months. This is still slightly above the Scottish average of 60.1% for 2008/09.</p> <p>The impact of the introduction of EDRMS has significantly impacted on the overall figure for 2009/10. In addition, the simultaneous implementation of the Planning etc (Scotland) Act 2006 in August 2009 saw the introduction of new procedures and responsibilities for the authority which have also had an effect on processing times. Enhancement and development of the system is continuing and it is expected that this, combined with further training in its use, will result in improved future performance.</p>						

DS2	Planning Appeals	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
	The number of appeals that were successful: (a) As a percentage of the number of planning determinations made by the Council (b) As a percentage of the number of planning determinations that went to appeal	40%	0.7%	13 <sup>th</sup>	0.6%	11 <sup>th</sup>	0.5%	12 <sup>th</sup>
		25%	37.2%	19 <sup>th</sup>	28.6%	8 <sup>th</sup>	29.8%	9 <sup>th</sup>
<b>Decline</b>		The percentage of planning determinations made by the Council which went to appeal increased slightly from 0.5% in 2006/07 to 0.7% in 2008/09. The percentage of those appeals which were successful increased from 29.8% in 2007/08 to 37.2% in 2008/09.						
<b>Ranking</b>		<p>The ranking for the number of appeals as a percentage of planning determinations made by the Council fell from 12<sup>th</sup> in 2006/07 to 13<sup>th</sup> in 2008/09.</p> <p>The ranking for the number of successful appeals as a percentage of appeals fell from 9<sup>th</sup> in 2006/07 to 19<sup>th</sup> in 2008/09.</p>						

<b>Progress on Improvement Measure</b>	<p>The percentage of successful appeals as a percentage of all planning decisions made by the Council for 2009/10 is 0.39%. This is marginally better than last year's figure.</p> <p>The percentage of appeals which were successful as a percentage of all appeals reduced from 37.2% in 2008/09 to 20% in 2009/10. This figure is a significant improvement on the 2008/09 figure and those of previous years. It is also significantly better than the 33.9% Scottish average figure for 2008/09.</p>
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## HOUSING AND TECHNICAL RESOURCES

Ref	Housing Services	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
HS3	<b>Managing Tenancy Changes: Voids</b> Total annual rent loss due to voids as a percentage of the total rent due in the year.	29%	0.9%	8 <sup>th</sup>	0.9%	6 <sup>th</sup>	0.7%	5 <sup>th</sup>

<b>Decline</b>	The percentage rent loss due to voids has increased slightly from 0.7% in 2006/07 to 0.9% in 2008/09. There was no movement in this indicator between 2007/08 and 2008/09.
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<b>Ranking</b>	The ranking for this indicator has fallen from 5 <sup>th</sup> in 2006/07 to 8 <sup>th</sup> in 2008/09.
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<b>Progress on Improvement Measure</b>	<p>The total amount of rent loss due to operational voids as a percentage has remained constant this year and stands at 0.88%. This is the same figure as in 2008/09. This has come about as a result in a downturn in performance during the winter period when delays were experienced in the re-letting process due to severe weather emergencies. This has stretched the Council's contractor workforce and the impact of flooding and an increased requirement to manage asbestos has been a factor influencing this year's performance.</p> <p>We continue to address the difficulties associated with low demand and particularly in our rural communities which continues to impact on our rent loss figures. We have introduced and continue to deploy a number of Local Lettings Initiatives to address both low demand and sustainability in these areas and can demonstrate achievement in re-letting long term voids however this will have little impact on a reduction on rent loss in low demand properties.</p>
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HS4	<b>Managing Tenancy Changes: Relets</b>							
	Average time to re-let dwellings which are low demand	65%	43 days	5 <sup>th</sup>	36 days	4 <sup>th</sup>	26 days	2 <sup>nd</sup>
	Average time that low demand houses had been un-let at year end	550%	351 days	18 <sup>th</sup>	108 days	8 <sup>th</sup>	54 days	5 <sup>th</sup>
<b>Decline</b>	The average time to re-let low demand houses increased from 26 days in 2006/07 to 43 days in 2008/09. The average time that low demand houses had been un-let at year end increased from 54 days in 2007/08 to 351 days in 2008/09.							
<b>Ranking</b>	The ranking for the average time to re-let low demand houses fell from 2 <sup>nd</sup> in 2006/07 to 5 <sup>th</sup> in 2008/09. The ranking for the average time that low demand houses had been un-let at year end fell from 5 <sup>th</sup> in 2006/07 to 18 <sup>th</sup> in 2008/09.							
<b>Progress on Improvement Measure</b>	The factors outlined in the void rent loss indicator also impact on the overall average re-let time which has increased this year. This increase has been significant during the last reporting quarter (winter period) which has distorted our YTD performance to 27 days. Management of the re-letting process remains a priority activity for Area Services and is subject to robust performance management systems and we will continue to manage our processes with the objective of minimising the period a house is lying empty.							
HS5	<b>Rent Arrears</b> The proportion of those tenants giving up their tenancy during the year that were in rent arrears.	27%	41.1%	15 <sup>th</sup>	41.2%	14 <sup>th</sup>	32.3%	10 <sup>th</sup>
<b>Decline</b>	The proportion of tenants giving up their tenancy who were in arrears rose from 32.3% in 2006/07 to 41.1% in 2008/09.							
<b>Ranking</b>	The ranking for this indicator fell from 10 <sup>th</sup> in 2006/07 to 15 <sup>th</sup> in 2008/09. It should be noted that there was a marginal improvement on this indicator between 2007/08 (41.2%) and 2008/09 (41.1%) yet the ranking dropped by one place from 14 <sup>th</sup> to 15 <sup>th</sup> .							
<b>Progress on Improvement Measure</b>	Housing Officers are currently visiting tenants after their first month of tenancy to address this indicator.							

Ref	Revenues	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
CM5	<b>Council Tax Collection</b> Cost of Collecting Council Tax per dwelling	18%	£14.89	21 <sup>st</sup>	£13.22	12 <sup>th</sup>	£12.60	12 <sup>th</sup>
<b>Decline</b>	The cost of collecting Council Tax per dwelling increased from £12.60 to £14.89.							
<b>Ranking</b>	The ranking for this indicator fell from 12 <sup>th</sup> in 2006/07 and 2008/09 to 21 <sup>st</sup> in 2008/09.							
<b>Progress on Improvement Measure</b>	In 2009/10, we do not anticipate similar increases in uncontrollable costs and expect the cost of collection of Council Tax to remain relatively stable, with an inflationary rise in respect of employee costs.							

BA1	<b>Housing Benefit and Council Tax Benefit</b> The gross administration cost per case	19%	£16.52	N/R	£14.45	1 <sup>st</sup>	£13.86	1 <sup>st</sup>
<b>Decline</b>		The gross administration cost per case has increased from £13.86 in 2006/07 to £16.52 in 2008/09.						
<b>Ranking</b>		In 2006/07 and 2007/08 SLC was ranked 1 <sup>st</sup> for this indicator. From 2008/09 this indicator is no longer being reported by Audit Scotland therefore no ranking information is available.						
<b>Progress on Improvement Measure</b>		Due to economic conditions and ongoing increase in benefit caseload during 2009/10, we are expecting a further increase in Benefit Admin. costs. This will be offset by increased subsidy from the DWP, however, this additional income is not included in the PI calculation.						

<b>SOCIAL WORK RESOURCES</b>								
Ref	Social Work	Total Decline	2008/09 S.P.I.	2008/09 Rank	2007/08 S.P.I.	2007/08 Rank	2006/07 S.P.I.	2006/07 Rank
ASW3	<b>Residential Accommodation Privacy (Other Adults)</b>  Total Percentage of Rooms with En Suite Facilities	18%	51.1%	18 <sup>th</sup>	53.8%	16 <sup>th</sup>	62.5%	7 <sup>th</sup>
<b>Decline</b>		The percentage of rooms with en suite facilities fell from 62.5% to 51.1%.						
<b>Ranking</b>		The ranking for this indicator fell from 7 <sup>th</sup> in 2006/07 to 18 <sup>th</sup> in 2008/09. No explanation available (SPI not continuing).						
<b>Progress on Improvement Measure</b>		This PI is not in the Audit Scotland Direction for 2009/10. Social Work Resources do not intend to continue to report this as a performance measure.						

EC6	<b>Looked after Children - Academic Attainment</b>  Percentage of 16 or 17 year olds ceasing to be looked after attaining at least one SCQF Level 3 (any subject) At home Away from home Total	17%	75.0% 57.1% 60.0%	22 <sup>nd</sup>	60.0% 90.5% 84.6%	N/R	84.6% 58.3% 72.0%	N/R
<b>Decline</b>	The percentage of 16-17 year olds ceasing to be looked after who attained at least one SCQF Level 3 decreased from 72% in 2006/07 to 60.0% in 2008/09.							
<b>Ranking</b>	The Council ranked 22 <sup>nd</sup> for this indicator in 2008/09. No comparative rankings were available for previous years.							
<b>Progress on Improvement Measure</b>	<p>Social work is working in partnership with Education Resources to ensure attainment and achievement levels of looked after and accommodated children are improved in line with Learning with Care. There is now a full complement of Link Teachers to the children's houses and they are offering homework classes at Calder House and also going in the evenings to the children's houses to provide help with homework.</p> <p>To increase literacy they have set up a magazine for all looked after and accommodated children called 'Mixed up' which is being produced by the children themselves and edited by the link teachers. The young people are also being encouraged and put forward to sit exams. There is also a teacher in post to support the children in foster care.</p> <p>Although this is now in place the benefits of this increased support may not become apparent until 2011-12 but should increase the number of children with appropriate qualifications.</p>							