

**REPORT TO: IMPROVEMENT AND EFFICIENCY SUB-COMMITTEE -  
30 JUNE 2009**

**REPORT ON: IMPACT OF KEY QUARTERLY PERFORMANCE REPORTING WITHIN  
THE COUNCIL**

**REPORT BY: HEAD OF FINANCE**

**REPORT NO: 355-2009**

**1 PURPOSE OF REPORT**

- 1.1 To review the quarterly performance indicators that have gone before committee over the last three years and assess the impact of more regular performance reporting within the Council.

**2 RECOMMENDATION**

- 2.1 Elected Members note the success of the introduction of quarterly reporting of Key Performance Indicators within Dundee City Council.
- 2.2 Elected Members approve the increase in Key Performance Indicators to 50 being regarded as an appropriate number to measure the quarterly performance of an organisation as complex and diverse as Dundee City Council on a regular basis.

**3 FINANCIAL IMPLICATIONS**

- 3.1 None.

**4 BACKGROUND**

- 4.1 Traditionally performance management within local authorities has been on an annual basis. In 2006/07 it was recognised that this was no longer sufficient for measuring performance and that more regular reporting was required. It was decided to introduce colour coded performance reporting on a quarterly basis.
- 4.2 The starting point for this exercise was the Statutory Performance Indicators which could be measured quarterly. To these were added further indicators based on the four quadrants of the Balanced Scorecard approach to Performance Management.

**5 REVIEW OF QUARTERLY PERFORMANCE REPORTS 2006/07 TO 2008/09**

- 5.1 The major performance ratios contained within the quarterly performance reports in the three years to date have been listed in Appendix 1. It should be noted that the on-going emphasis on these reports is in improving future performance and explaining the reasons for poorly performing indicators with the preparation of comprehensive Position Statements where applicable.
- 5.2 These quarterly reports were introduced in 2006/07. At that time there was no recommended template for the Council to follow. Therefore, reporting did contain an element of trial and error and experimentation in the early stages. In particular the initial idea of reporting straight quarterly performance figures was discarded in favour of preparing quarterly cumulative figures which in practice proved better comparatives. It is estimated that significantly improving indicators measured around 20% on average for that year.

5.3 By 2007/08 and 2008/09 the Council had arrived at what was regarded as the best format for quarterly reporting and therefore the information in the quarterly reports for these years is directly comparable. Appendix 1 shows that in 2007/08 significantly improved indicators amounted to 24% in line with the target rate of 25% which is considered very good. In 2008/09 this rate had increased to 41% which is considered excellent.

5.4 In 2009/10 it is intended to augment the existing report with People Indicators and so finally complete the Balanced Scorecard approach to Performance Management which the Council has adopted. This will take Key Quarterly Performance Indicators to approximately 50 which is considered a suitable number to measure performance in an organisation as complex and diverse as Dundee City Council

## 6 **CONCLUSION**

6.1 It is clear that from Appendix 1 that the trend as regards maintained and significantly improved performance is generally upwards. The trend when considering significantly improved indicators is even more marked. In the space of two years these have generally doubled leaving the inescapable conclusion that the introduction of quarterly performance reporting has in itself contributed to raising the standards of performance within Dundee City Council.

## 7 **POLICY IMPLICATIONS**

7.1 Then report has been screened for any policy implications in respect of sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

## 8 **CONSULTATION**

8.1 The Chief Executive, Depute Chief Executive (Support Service), Depute Chief Executive (Finance) and the Assistant Chief Executive have been consulted on the content of this report.

## 9 **BACKGROUND PAPERS**

9.1 Various quarterly performance reports 2006/07 to 2008/09.

**MARJORY M STEWART**  
**HEAD OF FINANCE**

**24 JUNE 2009**

**DUNDEE CITY COUNCIL****Quarterly Performance Reporting**

<u>Period</u>	<u>Total Indicators</u>	<u>Red Coded</u>	<u>Amber Coded</u>	<u>Green Coded</u>	<u>Maintained/Improved Ratio</u>	<u>Significantly Improved Ratio</u>	<u>Annualised Average</u>	<u>Rule of Thumb Target</u>	
2008/09	Q4	44	6	19	17	82%	39%	<b>41%</b>	25%
	Q3	44	5	25	14	89%	32%		
	Q2	41	4	17	20	90%	49%		
	Q1	35	8	12	15	77%	43%		
2007/08	Q4	36	6	23	7	83%	19%	<b>24%</b>	
	Q3	34	7	17	10	79%	28%		
	Q2	34	6	23	5	82%	15%		
	Q1	36	7	16	13	80%	36%		
2006/07	Q4	36	4	28	4	89%	11%	<b>20%*</b>	

\* this is probably a maximum estimate