

Cabinet	 TOWER HAMLETS
4 October 2016	
Report of: Melanie Clay, Director of Law, Probity and Governance	Classification: [Unrestricted]
Quarter 1 2016/17 Strategic Performance Monitoring	

Lead Member	Mayor John Biggs
Originating Officer(s)	Kevin Kewin, Interim Service Head, Corporate Strategy and Equality
Wards affected	All Wards
Key Decision?	No
Community Plan Theme	One Tower Hamlets

Executive Summary

The council uses a basket of performance measures to track delivery against priorities and this is supported by key strategic activities which are outlined in the Strategic Plan. This monitoring report details the council's performance at the Quarter 1 (April-June) Stage.

Recommendations:

Cabinet is recommended to:

1. Review progress in delivering the strategic measures at the quarter 1 stage (appendix 1) and final outturns and commentary for 2015/16 (appendix 2);

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Consultation and Version Control

[Please state version number and all changes must be tracked or report will not be accepted]

Version Number	1.0 [Please update]	Version Date	16/11/15
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Name	Title	Date Consulted	Date Cleared	Version
Melanie Clay	Corporate Director			1.0
Ekbal Hussain	Department Finance			1.0
Neville Murton	Corporate Finance			1.0
Graham White	Legal Services			1.0

Decision Type

Key Decision?	Urgent Decision?	Exempt from Call-In?	Restricted Report or Partially Restricted (e.g. appendix)?
No	No	No	No

*If the answer is yes make sure the forthcoming decision on the website states this or else the decision cannot be taken.

Further details on the procedure for Urgent Decisions can be found in the [Intranet Library](#) and the What to Do with Your Decision If [guidance note](#).

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1. **REASONS FOR THE DECISIONS**

The council uses a basket of performance measures to track whether it is delivering on its priorities and this is supported by key strategic activities as outlined in the Strategic Plan. This monitoring report details the council's performance at the quarter 1 (to June 2016) stage.

Cabinet is asked to:

- Review progress in delivering the strategic measures at the quarter 1 stage (appendix 1) and final outturns and commentary for 2015/16 (appendix 2);
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2. **ALTERNATIVE OPTIONS**

2.1 The Council reports its strategic performance. Significant variations, trends and corrective action are reported in the body and appendix of the report. No alternative action is considered necessary beyond that included below and this report is produced to ensure that Members are kept informed about decisions made under the delegated authority.

3. **DETAILS OF REPORT**

STRATEGIC PERFORMANCE MEASURES

3.1 The strategic measures enable the council to monitor progress against its priorities outlined in the Strategic Plan. The measures are monitored on a quarterly basis by CMT and Members.

3.2 **Appendix 1** illustrates the latest performance against our strategic measures. Performance against the current target is measured as either 'Red', 'Amber' or 'Green' (RAG). Should performance fall below the minimum expectation – indicated as the dotted red line - it is marked as 'Red'. Should it be at or better than the minimum standard, but below the target – indicated as the solid green line - it is 'Amber'. Where performance is at or better than the target, it is 'Green'. Performance is also measured against the equivalent quarter for the previous year, as a 'direction of travel'. If performance has deteriorated compared to the same time last year, it is indicated as a downward arrow ↓; if there has been no change (or less than 5% change, or no statistically significant change for survey measures) it is neutral ↔; and if performance has improved compared to the previous year, it is indicated as an upward arrow ↑.

2015/16 Final Outturn Reporting Update

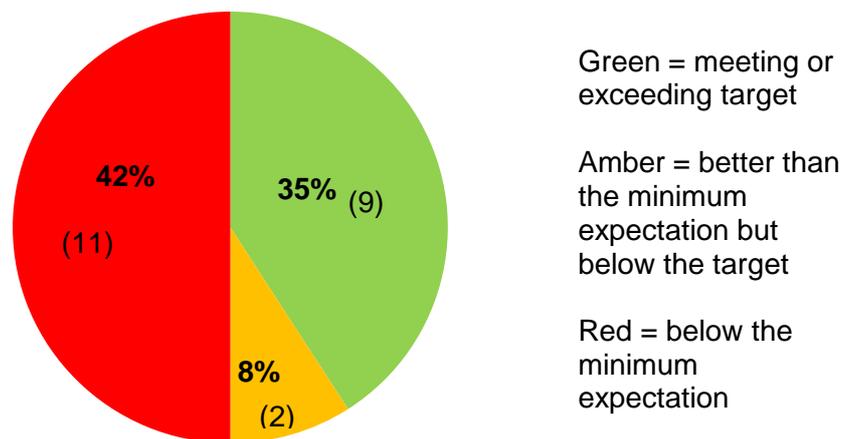
3.3 Since the year end 2015/16 performance reporting was undertaken, final outturns for several outstanding performance measures is now available.

Outturn and commentary information is included in **Appendix 2** for these indicators.

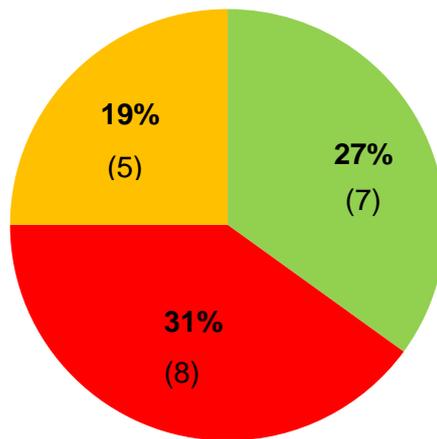
- 3.4 There is one measure where the 2015/16 year-end outturn is still outstanding, the outturn will be reported at the quarter 2 stage:
- **Percentage of overall council housing stock that is non-decent** – year end data is expected shortly after quality checks have been completed.

Strategic Performance Measures – Quarter 1 (April-June 2016)

- 3.5 The number of strategic measures available for reporting fluctuates between periods due to the different reporting frequencies of the measures. Of the 71 measures in the strategic set, including subsets of measures, 26 are reportable this quarter. The chart below shows the breakdown of these indicators by RAG performance:



- For those measures where targets have not been set, performance against target cannot be reported; of the three measures in this category, one has maintained performance compared to this time last year, one has deteriorated and direction of travel cannot be assessed for one measure where there is no previous outturn information available.
- Overall 7 indicators (33%) show improved performance compared to last year (↑), 5 (24%) are stable (↔), 9 (43%) have deteriorated (↓), and five new measures where direction of travel cannot be measured.
- Direction of travel – comparing current outturn to this time last year:



↑ = better than this time last period
 ⇔ = performance same as this time last year
 ↓ = performance deteriorated compared to this time last year

- 3.6 There are 4 strategic performance measures which report on a quarterly basis but Q1 data is currently not available due to a time lag in reporting; outturns for these measures will be included in the next reporting period:
- Number of Smoking Quitters;
 - Proven re-offending by young people;
 - Homelessness Prevention; and
 - Percentage of household waste sent for reuse, recycling and composting.

- 3.8 The relatively high proportion of measures that are red and deteriorating is not untypical at the Q1 stage as there can be a phased start to delivery including for some cumulative measures such as those relating to job starts, business support and housing delivery.

Performance Summary

- 3.9 The following sections detail our performance under two key headings:
- High performance and areas of improvement
 - High risk areas

High Performance and Areas of Improvement – Quarter 1

- 3.10 Measures that exceeded their target or have improved compared to quarter 1 last year include:

3.10.1 Creating opportunity by supporting aspiration and tackling poverty

- **Overall employment rate – gap between borough and London average** – the percentage point gap between the borough’s employment rate and the London average is 1.3 percentage points; the target has been exceeded and the gap has narrowed compared to this time last year

- **Employment gap for women – the gap between borough and London average** – the gap of 3.7 percentage points is lower than the target of 6.9 and 1.7 percentage points better the same period last year.
- **NEETS** – at 3.10 percent, the in-year target has been exceeded and there has been an improvement compared to this time last year
- **Early Years Attainment** – 66.8 percent of children in the cohort achieved ‘a good level of development’; the minimum expectation has been exceeded and there has been a 5.2 percentage point improvement compared to last year
- **Number of adoptions and special guardianship orders for looked after children** - an outturn of 11 percent has been achieved; the in-year target of five has been exceeded. The number of children has increased by nine compared to the same period last year.
- **Average time between a child entering care and moving in with its adoptive family** – the number of days this quarter is 634; whilst the minimum expectation has not been met, there has been a significant reduction in the number of days taken (-128 days) compared to this time last year.
- **Percentage of people aged over 65 who are receiving long-term support** – the number per 10,000 population was 1,415, the target of 1,470 has been exceeded.

3.10.2 Creating and maintaining a vibrant, successful place

- **Number of affordable units provided as wheelchair accessible / adaptable** – the target of 10 percent of affordable homes (14 units) has been met.

3.10.3 A transformed council, making best use of resources with an outward facing culture

- **Percentage of council tax collected (budgeted) and Percentage of non-domestic rates collected (budgeted)** – both measures have exceeded their targets of 25 percent.

High Risk Areas

- 3.11 As part of the monitoring of our performance each quarter, analysis is undertaken to identify those measures at risk of not achieving their annual target. This includes measures that are below the minimum expectation and have deteriorated since the corresponding quarter for the previous year.

Creating opportunity by supporting aspiration and tackling poverty

- 3.11.1 **Employment gap for BME residents – reducing the gap between borough rate and employment rate for BME residents** – The employment rate of BME residents in the borough was 62.5 percent compared to the borough

average of 65.5 percent equating to a gap of 3 percentage points. The target was missed and there was an increase in the gap of 0.2 percentage points compared to the same period last year.

While the employment rate for BME residents in the borough is also 1.9pps higher than this time last year. The London average rate increased 2.1pps. The revised Local Economic Assessment suggests that BME residents (particularly women) are still over represented in both unemployment and benefit claims statistics. There are a range of different barriers to work associated with BME clients including English, basic skills and access to networks. Long term and economically inactive BME residents will continue to be a focus for the Employment & Skills delivery service and will form part of the focus of the new integrated employment service. With a target of 1,000 residents into employment through Council activities, an 850 net increase of BME residents into work represents a closing of the gap by 0.15pps.

Creating and maintaining a vibrant, successful place

3.11.2 **Number of affordable homes delivered (gross)** – 142 affordable homes were delivered during Quarter 1, 133 homes short of the minimum expectation and 78 fewer than this time last year.

Tower Hamlets has a strong track record of housing delivery and continues to provide among the highest numbers of affordable homes in the country. 142 affordable homes have been delivered in Q1 against a minimum expectation of 277 and target of 344 units. However, it is anticipated that the end of year total will be within the target range. Our current prediction is for the completion of 1,340 affordable units in this financial year. Performance for quarter 1 was expected to be higher, as several schemes due for completion in quarter 4 of last year were reported as having slipped into quarter 1. However, there are a number of schemes which are substantially complete, perhaps even achieving technical completion for the purposes of GLA grant claims, but still not ready for occupation, which is the completion requirement for Council monitoring. These delays are expected to be resolved soon and should lead to a higher outturn for quarter 2. As is regularly reported, there can be no action plan to remedy quarterly underperformance, as the distribution of completions will never fall into an equal four quarter split and there is nothing that the Council can do to influence the actual date of handovers.

3.11.3 **Number of affordable social housing completions for family housing** – in Quarter 1, 44 units were delivered, the minimum expectation of 87 was missed and there were 49 fewer than this time last year. However, this does represent 42% of the rental delivery in Quarter 1, so is acceptably close to our 45% policy target.

3.11.4 **Lets to overcrowded households** – 173 overcrowded families have been rehoused in Q1 which is below the Q1 minimum expectation of 235. This is due to the number of total lets being low for the quarter at 393, but there were a number of outstanding offers to people on the housing register at the point of reporting, on which a decision to take or reject the let had not yet been taken. It is anticipated that the number of units becoming available to let will increase towards the end of the year due to handover of the new build units and if outstanding offers to those on the housing register result in lets it is likely we will see an increase in lets to overcrowded households. However, the fact that we operate a choice based lettings scheme and have no control over bidding preferences - who and how applicants bid - it is not possible to accurately predict lets outcome.

3.11.5 **The number of households who considered themselves as homeless, who approached the local authority's housing advice services and for whom housing advice casework intervention resolved their situation** – the final outturn for 2015/16 was 5.49 per 1,000 households prevented from becoming homeless; the minimum expectation of 5.94 was not met. A total of 636 households were prevented from becoming homeless ending in Q4, 36 (0.45 percentage points) households lower than in 2014/15.

The borough has grown by 2,610 households over the year and this has had an effect on the homelessness prevention rate. It is worth noting that the borough continues to face a severe shortage of affordable private sector properties available to homeless households as an alternative to pursuing a statutory homeless application and the problem continues to worsen. Consequently, our ability to prevent homelessness by securing an alternative tenancy has diminished immensely. We have improved the incentive provided to landlords so they will let their (admittedly small number of) properties available at, or close to, Local Housing Allowance levels via the council to one of our customers rather than let them to a member of the general public. We have also seen a rise in the number of preventions through negotiations with friends and relatives, persuading families that the best option for all is for the threatened homeless client to remain in their current accommodation. Nevertheless, proportionately, this is not sufficient to temper the increase in landlords evicting their benefit-dependent tenants as they can pitch their rents at higher levels. Where possible, we continue to negotiate with Housing Benefit to resolve arrears problems, and negotiate with landlords, to ensure tenants can remain in their properties and thus prevent homelessness. This financial year, the measure will be reported as an actual number rather than a rate.

A transformed council, making best use of resources with an outward facing culture

3.11.6 **Sickness Absence** – the number of days lost due to sickness absence in the rolling year to June 2016 is 9.49. The minimum expectation of 9.25 days has been missed and compared to the same period last year there has been a deterioration of 1.17 days. Both short term and long term absence has risen over recent years. A programme has commenced to address the rise and manage sickness absence back to the previously lower rates. The approach will be to focus on:

- Clear policies
- Consistently applied return to work meetings
- Management confidence in medical referrals
- Focused attention on teams with higher absence rates
- A positive employee wellbeing environment

HR resources have been identified to implement the programme and progress will be closely monitored by the Corporate Management Team.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

4.1 This is a noting report and highlights progress with strategic measures during the first three months of 2016/17. The cost of these activities is funded through the Council's General Fund Revenue and Capital budgets, agreed by full Council on the 24th February 2016. There are no additional financial implications arising from the recommendations within this report.

5. LEGAL COMMENTS

5.1 The report provides performance information. It is consistent with good administration for the Council to consider monitoring information in relation to plans that it has adopted in order to achieve best value.

5.2 When considering its performance, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). The Council's targets are formulated by reference to its public sector equality duty and monitoring performance against those targets should help to ensure they are delivered.

6. ONE TOWER HAMLETS CONSIDERATIONS

7.1 The Council's Strategic Plan and Strategic Measures are focused upon meeting the needs of the diverse communities living in Tower Hamlets and supporting delivery of One Tower Hamlets. In particular, strategic priorities include the reduction of inequalities and the fostering of community cohesion, which are measured by a variety of strategic indicators

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 Section 3 of the Local Government Act 1999 requires the Council as a best value authority to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. Monitoring of performance information is an important way in which that obligation can be fulfilled.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 An element of the monitoring report deals with environmental milestones within the an Improved Local Environment Plan theme.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 In line with the Council’s risk management strategy, the information contained within the Strategic Indicator Monitoring will assist the Cabinet, Corporate Directors and relevant service managers in delivering the ambitious targets set out in the Strategic Plan. Regular monitoring reports will enable Members and Corporate Directors to keep progress under regular review.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 The Strategic Indicator set contain a number of crime and disorder items under the Less Crime and ASB Plan theme, however there are no specific crime and disorder reduction implications.

11. SAFEGUARDING IMPLICATIONS

- 11.1 There are no specific safeguarding implications.
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Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- Appendix 1 – strategic measures at the quarter 1 stage
- Appendix 2 – outstanding 2015/16 strategic measures

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

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