

Business and Property Committee

Item No.....

Report title:	Performance management
Date of meeting:	14 March 2018
Responsible Chief Officers:	Simon George - Executive Director of Finance and Commercial Services, and Tom McCabe - Executive Director, Community and Environmental Services
Strategic impact Robust performance management is key to ensuring that the organisation works both efficiently and effectively to develop and deliver services that represent good value for money and which meet identified need.	

Executive summary

This management report to this committee is based upon the revised Performance Management System, which was implemented as of 1 April 2016. There are currently 5 vital signs indicators under the remit of this committee. Work continues to see what other data may be available to report to committee on a more frequent basis and these will in turn be considered for inclusion as vital signs indicators.

Performance is reported on an exception basis using a report card format, meaning that only those vital signs that are performing poorly or where performance is deteriorating are presented to committee. To enable Members to have oversight of performance across all vital signs, all report cards (which is where more detailed information about performance is recorded) will be made available to view upon request.

The 5 vital signs indicators that fall within the remit of this committee are:

- Monitoring the job creation outputs of the projects and programmes that Norfolk County Council manages or Leads (Oct-Sep) and (Apr-Mar)
- Delivery against New Anglia Local Enterprise Partnership (NALEP) and Hethel Engineering Centre (HEC) business start-up targets (Oct-Sep) and (Apr-Mar)
- Number of apprenticeship starts
- Median full time weekly pay – comparison between Norfolk and the national average
- Reducing the % gap with rate of ESA only claimants for more than 1 year against national level

Of the 5 vital signs indicators that fall within the remit of this committee, none have met the exception criteria based on new data since the last report.

Recommendations:

1. Review and comment on the performance data, information and analysis presented in the body of the report and determine whether any recommended actions identified are appropriate or whether another course of action is required (refer to list of possible actions in Appendix 1).

In support of this, Appendix 1 provides:

- A set of prompts for performance discussions
 - Suggested options for further actions where the committee requires additional information or work to be undertaken
2. To consider whether there is any other performance data/information relating to the Committee's remit, in addition to the 5 vital signs set out in this report, which the Committee would wish to review on a regular basis.

1. Introduction

- 1.1. This performance management report to this committee is based upon the revised Performance Management System, which was implemented as of 1 April 2016.
- 1.2. There are currently 5 vital signs performance indicators that relate to the Economic Development Service in the CES Department.

Work continues to explore what data is available on a more regular basis to report to this committee, including reviewing measures reported by other councils and comparing with those currently reported in Norfolk.

- 1.3. There are currently no specific performance measures relating to property and asset management to report to this committee.

2. Performance dashboard

- 2.1. The performance dashboard provides a quick overview of Red/Amber/Green rated performance across all 5 vital signs. This then complements the exception reporting process and enables committee members to check that key performance issues are not being missed.
- 2.2. The vital signs indicators are monitored during the year and are subject to review when processes are amended to improve performance, to ensure that the indicator correctly captures future performance. A list of all vital signs indicators currently under the remit of the Business and Property committee is available in Appendix 2.
- 2.3. Targets have been set for 2017/18 and it is against these targets that performance will be evaluated. As the full performance data is only available on an annual basis with some significant lags, we will not be able to report on final performance until mid-2018. The performance dashboard for the Business and Property Committee is:

NOTES:

In most cases the RAG colours are set as: Green being equal to or better than the target; Amber being within 5% (not percentage points) worse than the target; Red being more than 5% worse than target.
 'White' spaces denote that data will become available; 'grey' spaces denote that no data is currently expected, typically because the indicator is being finalised.
 The target value is that which relates to the latest measure period result in order to allow comparison against the RAG colours. A target may also exist for the current and/or future periods.

Monthly	Bigger or Smaller is better	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Target
{PE} Monitoring the job creation outputs of the projects and programmes that NCC manages or leads (Oct-Sep)	Bigger	72.0	97.0	140.0	140.0	144.0	168.0	168.0	168.0	168.0	0.0	0.0	1.0		
{PE} Monitoring the job creation outputs of the projects and programmes that NCC manages or leads (Apr-Mar)	Bigger	623.6	658.1	1,094.6	44.1	78.4	122.0	150.7	195.7	290.2	357.7	540.5	591.7		
{PE} Delivery against NALEP and HEC business start-up targets (Oct-Sep)	Bigger	1	1	2	2	2	3	5	10	12	1	6	6		
{PE} Delivery against NALEP and HEC business start-up targets (Apr-Mar)	Bigger	40	40	140	13	20	25	41	50	60	83	95	106		
Quarterly / Termly	Bigger or Smaller is better	Dec 14	Mar 15	Jun 15	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Target
{PE} Number of apprenticeship starts	Bigger				7,290				7,670	2,440	3,830	6,120	6,580		7,917
Annual (calendar)	Bigger or Smaller is better	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Target
{PE} Median full time weekly pay – comparison between Norfolk and the national average	Bigger									91.0%	89.0%	89.0%	90.0%		90.25%
													486.7 / 540.2		
{PE} Reducing the % gap with rate of ESA only claimants for more than 1 year against national level	Smaller									65.0%	62.0%	71.0%	78.0%		77%
												0.71 / 0.68	0.78 / 0.75		

3. Report cards

- 3.1. A report card has been produced for each vital sign. It provides a succinct overview of performance and outlines what actions are being taken to maintain or improvement performance. The report card follows a standard format that is common to all committees and it is updated on a monthly basis.
- 3.2. Vital signs are reported to committee on an exceptions basis. The exception reporting criteria are as follows:
- Performance is off-target (Red RAG rating or variance of 5% or more)
 - Performance has deteriorated for three consecutive months/quarters/years
 - Performance is adversely affecting the council's ability to achieve its budget
 - Performance is adversely affecting one of the council's corporate risks.
- 3.3. The 5 vital signs indicators that fall within the remit of this committee are:
1. Monitoring the job creation outputs of the projects and programmes that Norfolk County Council manages or Leads

(a) Oct-Sep (Oct 17 to Sep 18 Actual to-date is 1 against a target for the year period of 26 - last reported was 0 (+1)). Oct 16 to Sep 17 Actual ended with 168 against a target of 26.

(b) Apr-Mar (Apr 17 to Mar 18 Actual to-date is 591.68 against a target for the year period of 543.5 – last reported was 358.38 (+233.3)). Apr 17 to Mar 18 Actual ended with 140 against a target of 195.
 2. Delivery against New Anglia Local Enterprise Partnership (NALEP) and Hethel Engineering Centre (HEC) business start-up targets

(a) Oct-Sep (Oct 17 to Sep 18 Actual to-date is 6 against a target for the period of 7 – last reported was 1 (+5)). Oct 16 to Sep 17 Actual ended with 12 against a target of 7.

(b) Apr-Mar (Apr 17 to Mar 18 Actual to-date is 106 against a target for the period of 162.5 – last reported was 83 (+23)). Apr 17 to Mar 18 Actual ended with 1094.55 against a target of 860.
 3. Number of apprenticeship starts (Q4 Sep 2017 is 6,580 against a target for the year ending Q4 Sept 17 of 7,917)
 4. Median full time weekly pay – comparison between Norfolk and the national average (Actual for 2016 is 90% against a target of 90.25%)
 5. Reducing the % gap with rate of ESA only claimants for more than 1 year against national level (Actual for 2016 was 78% against a target of 77%)

None of the report cards have been included as no vital signs indicators have met the exception criteria based on new data since the last reporting period.

4. Measures - additional information

- 4.1.
- Measure 349 “Number of apprenticeship starts”.

National data released 25th January 2018 show provisional starts for the first quarter of 2017, covering the months of August, September and October have fallen 26 percent compared to the same quarter the previous year.

<i>National Apprenticeship starts</i>	<i>Quarter (1) 2016/17 (provisional)</i>	<i>Quarter (1) 2017/18 (provisional)</i>	<i>diff</i>	<i>%</i>
<i>All ages</i>	<i>155,600</i>	<i>114,400</i>	<i>41,200</i>	<i>-26%</i>

Data for Norfolk show provisional starts for the first quarter of 2017 have fallen by 12 percent compared to the same quarter the previous year.

<i>Norfolk Apprenticeship starts</i>	<i>Quarter (1) 2016/17 (provisional)</i>	<i>Quarter (1) 2017/18 (provisional)</i>	<i>diff</i>	<i>%</i>
<i>All ages</i>	<i>2,400</i>	<i>2,100</i>	<i>-300</i>	<i>-12%</i>

The targets set in the Vital Signs were set before knowledge of the effect of the Apprenticeship Levy reforms. As a Local Government body, we have no control or influence over the reforms and our options to mitigate these changes are limited. Our focus as we move forward is to come up with local initiatives where we can to support growth. The ATA pilot programme which has been funded by NCC recently is an example of this.

Given that data on Apprenticeships no longer seems to be released regularly and because of the limited effect we can have on national policy, it is suggested that we further review this Vital Sign to find an alternative methodology for measuring NCC performance around apprenticeships.

- 4.2.
- Reducing the % gap with rate of ESA only claimants for more than 1 year against national level

This Vital Sign is informed by data provided by the Department of Work and Pensions (DWP). DWP has advised their intention to discontinue providing the dataset (as it currently is formatted) going forward. This means potentially we will not be able to provide further updates (including 2017 update). We are currently investigating alternative data sources / reporting measures / methodology and will look to recommend alternatives in the next performance report to committee.

5. Scottow Enterprise Park – latest performance

The Committee asked for some information about operational performance at Scottow Enterprise Park to be included regularly in these performance reports. Performance as reported at February 2018 is set out below:

- Total rentable floor space available – 533,500 ft²
- Occupancy rate – 91%# with a further 4% in the pipeline (last reported was 86%, when HIL took over in 2015 was at 23%)
- Number of tenants – 105 (an increase of 6 since last reported, when HIL took over in 2015 it was 24)
- Number of jobs (*as at Sept 2017*) – 410* (an increase of 20 since last reported, when HIL took over in 2015 it was 60)
- Number of start-ups – 25* (an increase of 3 since last reported, when HIL took over in 2015 it was 3)
- Number of customer enquiries handled – 735 enquiries (last reported was 714 enquiries)

#Of total rentable floor space (currently 124 lettable units – last reported it was 121, when HIL took over in 2015 it was 70).

**Figures relate to total amount since Enterprise Park became operational.*

It should also be noted that:

- SEP is shortlisted for LGC 2018 Awards
- Enterprise Zone funding now agreed in principle of £2.9M over 25 years ... and additional grant funding of £0.1M secured
- SEP Open Days for businesses continue every month
- Activate: Startup program continues offering training over 4 sessions in how to startup your own business. Programs are now happening at SEP and local libraries (most recently at Cromer library)
- Innovate: Business program started offering training over 4 sessions in how to develop new products /processes and develop new customer markets
- Site now has full planning permission
- Swift Aircraft have moved into Hangar 2

6. Recommendations

Review and comment on the performance data, information and analysis presented in the body of the report and determine whether any recommended actions identified are appropriate or whether another course of action is required (refer to list of possible actions in Appendix 1).

In support of this, Appendix 1 provides:

- A set of prompts for performance discussions
- Suggested options for further actions where the committee requires additional information or work to be undertaken

To consider whether there is any other performance data/information relating to the Committee's remit, in addition to the 5 vital signs set out in this report, which the Committee would wish to review on a regular basis.

7. Financial Implications

There are no significant financial implications arising from the performance management report.

8. Issues, risks and innovation

There are no significant issues, risks and innovations arising from the development of the revised performance management system or the performance management report.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

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Appendix 1 - Performance discussions and actions

Reflecting good performance management practice, there are some helpful prompts that can help scrutinise performance, and guide future actions. These are set out below.

Suggested prompts for performance improvement discussion

In reviewing the vital signs that have met the exception reporting criteria and so included in this report, there are a number of performance improvement questions that can be worked through to aid the performance discussion, as below:

1. Why are we not meeting our target?
2. What is the impact of not meeting our target?
3. What performance is predicted?
4. How can performance be improved?
5. When will performance be back on track?
6. What can we learn for the future?

In doing so, committee members are asked to consider the actions that have been identified by the vital sign lead officer.

Performance improvement – suggested actions

A standard list of suggested actions have been developed. This provides members with options for next steps where reported performance levels require follow-up and additional work.

All actions, whether from this list or not, will be followed up and reported back to the committee.

Suggested follow-up actions

The suggested 'follow up actions' have been amended, following on from discussions at the Communities Committee meeting on 11 May 2016, to better reflect the roles and responsibilities in the Committee System of governance.

	Action	Description
1	Approve actions	Approve actions identified in the report card and set a date for reporting back to the committee
2	Identify alternative/additional actions	Identify alternative/additional actions to those in the report card and set a date for reporting back to the committee
3	Refer to Departmental Management Team	DMT to work through the performance issues identified at the committee meeting and develop an action plan for improvement and report back to committee
4	Refer to committee task and finish group	Member-led task and finish group to work through the performance issues identified at the committee meeting and develop an action plan for improvement and report back to committee
5	Refer to County Leadership Team	Identify key actions for performance improvement and refer to CLT for action
6	Refer to Policy and Resources Committee	Identify key actions for performance improvement that have 'whole Council' performance implications and refer them to the Policy and Resources committee for action.

Appendix 2 – Business and Property Committee Vital Signs indicators

A vital sign is a key indicator from one of the Council's services which provides members, officers and the public with a clear measure to assure that the service is performing as it should and contributing to the Council's priorities. It is, therefore, focused on the results experienced by the community. It is important to choose enough vital signs to enable a good picture of performance to be deduced, but not so many that strategic discussions are distracted by detail.

There are currently 5 vital signs performance indicators that relate to the Business and Property Committee.

Of these vital signs indicators, the two in bold are considered to be corporately significant. As such, they will also be reported to the Policy and Resources Committee.

Service	Vital Signs Indicators	What it measures	Why it is important	Data
Planning & Economy (CES)	Job creation in Norfolk	Monitoring the job creation outputs of the projects and programmes that NCC manages or leads	SEP has a target to deliver 73,000 more jobs by 2026. This measure looks at those jobs the EDS service has had a hand in bringing forward	Partly monthly
Planning & Economy (CES)	New Anglia Growth Hub delivery – business start up	Delivery of New Anglia Growth Hub's business start-up targets	All programmes should deliver outputs that benefit the Norfolk economy	Partly monthly
Planning & Economy (CES)	Apprenticeships Norfolk Network Success Measures	Number of Apprenticeship Starts	By the end of 2019 we will create an additional 2500 apprentices in Norfolk (baseline 6270 in 2013/14)	Quarterly (subject to data release)
Planning & Economy (CES)	Norfolk median weekly earnings	Median full time weekly pay – comparison between Norfolk and the national average	A skilled workforce is essential to growing existing, and attracting new businesses to Norfolk and to the overall prosperity of Norfolk communities	Annual
Planning & Economy (CES)	People on benefits can find work quickly	Reducing the % gap with rate of ESA only claimants for more than 1 year against national level	Residents claiming ESA have a higher likelihood of receiving support from NCC services.	Annual