

BRISTOL CITY COUNCIL
Place Scrutiny Commission
21st January 2016

Report of: Strategic Director, Place

Title: Performance Report for 2015/16 Q2

Ward: Citywide

Officer Presenting Report: Strategic Director Place: Barra Mac Ruairi

Contact Telephone Number: 0117 35 25558

RECOMMENDATION

To note the Place Performance Report for Quarter 2 of 2015/16

Summary

The report and appendices are a summary of the main areas of progress towards delivery of the Corporate Plan 2014-17.

The significant issues in the report are:

The most significant highlights, milestones and performance issues are contained within the Place 2015/16 Quarter 2 Performance Report (Appendix A) and Management reports on BCP measures with performance at "Well below Target" (Appendix B).

Policy

1. N/A

Consultation

2. Internal

Directorate Leadership Team and Strategic Leadership Team

3. External

N/A

4. Context

The mayoral themes formed the basis of the Corporate Plan 2014/17 that was agreed at Full Council on 22nd July 2014. A suite of measures of success (including both performance indicators and key projects) have subsequently been agreed to determine progress towards the strategic objectives identified within the Corporate Plan.

Appendix A (Place 2015/16 Quarter 2 Performance Report) reports on key measures in delivering the Corporate Plan, and can be summarised as follows:

- Of the 4 PIs for which data was due in Q2 (and which had a target against which to measure), 3 are currently well above or above target and 1 is below target.
- Performance in 6 areas has improved and declined in 1 (when measured against either Q2 in 2014/15 or at Q4 2014/15 for annual measures where the change is against the previous year end.)

Headline findings for quarter 2 reporting:

- The delivery of affordable housing continues to be well below target. A broader range of housing indicators which are owned by other directorates (e.g. homelessness, use of emergency accommodation) also remain challenging.
- Economy indicators improving.
- Transport indicators improving, particularly in respect of increasing numbers of journeys made by bus.
- Tourism was up (as expressed by visits to local attractions) and hotel bed sales have also increased.
- Projects continue to supply milestone reports as hard performance numbers before delivery phases are not available.

Appendix B is presented in response to an Overview and Scrutiny Management Board (OSMB) resolution. The intent was to ensure that OSMB had the information required to ensure plans are in place for those indicators which present as “well below target” (showing as red in Appendix A).

There is one measure noted this quarter:

- The supply of affordable housing (BCP092); this references a number of issues for Registered Providers in the construction industry which have contributed to the target not being reached. Additional information is provided to update on actions that have been completed during this quarter, and there is also wider

contextual information about the sector which is pertinent to the issues around non-delivery of the units. Whilst it was hoped that a number of the housing units not completed during previous quarters would become available during the first half of 2015/16, this has not happened, and it is unlikely that all slippage on delivery will be recovered.

This reporting forms part of a programme of work in developing an integrated performance framework focussed on delivering the Corporate Plan 2014-17, that will provide a hierarchy of reports from the strategic level for member scrutiny and the Senior Leadership Team, to more detailed reports on measures at the operational level within the organisation.

Observations from OSMB

The performance report for Q1 2015/16 was presented to OSMB on the 3rd September 2015, and summarised performance across the organisation. Comments on PIs within Place related to:

- *The supply of affordable housing (BCP092)*; there was subsequently a Housing Inquiry Day on October 2nd 2015 where wider issues relating to this measure were more fully explored.
- *Bus services running on time (BCP063)*; commentary will be provided within Appendix A to give context timely to the reporting cycle whilst methodology for the measure is finalised.

Cross cutting areas of concern related to:

- *Target setting*: A Councillor had noted that in the past there had been the expectation that the target (for PIs) should never be less than the previous years, so that it was more ambitious every year. The PI&I Service Manager reported that targets were approved by SLT/DLTs. Every effort was made for realistic targets but this was always in the balance. He was happy to suggest that this be reviewed.

Performance reporting developments:

Following comments at both OSMB and directorate scrutiny committees, some presentational changes have been made to the summary statistics in Appendix A. Direction of travel arrows are now presented for all indicators which had a comparator figure 12 months ago, not just those with an update this quarter. Some additional notes that give context to the terms used in performance reporting have also been added to give further support in interpreting the appendix.

Appendix B continues to show indicators where performance is “well below target”; the management commentary has been strengthened and is presented separately to provide a fuller explanation to scrutiny. It is designed to form the basis of any further enquiries members wish to ask of the management team.

There continue to be discussions with OSMB on the relationship between boards to establish the level of detail appropriate in performance reports. Current practice is for Place (and other directorate scrutinies) to receive the performance indicators that are presented to the leadership team of that directorate. Discussions on how this works in practice will continue to ensure the correct balance is struck.

Proposal

5. Place Scrutiny Commission is asked to note the contents of the summary report.

Other Options Considered

6. N/A

Risk Assessment

7. N/A

Public Sector Equality Duties

8. Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
- ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to -
 - a. remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - b. take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);and

- c. encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - a. tackle prejudice; and
 - b. promote understanding.

Legal and Resource Implications

Legal

N/A

Financial

(a) Revenue

N/A

(b) Capital

N/A

(Financial advice provided by N/A)

Land

N/A

Personnel

N/A

(Personnel advice provided by N/A)

Appendices:

Appendix A: 2015-16 Qtr.2 Performance Report

Appendix B: 2015-16 Qtr.2 Management Reports of “well below target” measures.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None

Place Scrutiny Performance Report for 2015/16 Qtr. 2 (1st April 2015 to 30th September 2015) progress against the Corporate Plan Measures of Success

Key: Direction of Travel in last 12 months

Improved (>10%)			Worsened (>10%)
Improved (<10%)			Worsened (<10%)
Static (0% change)			Greyed out arrow shows last comparable direction of travel (for annually reported metrics)

Building Successful Places

Code	Measure of Success	Division	Frequency of measure	2014/15 Outturn	2015/16 Target	2015/16 q2 progress (01 Apr - 30 Sept)	Direction of Travel (12 months)	Qtr. 2 comments about progress/achieving the target
BCP091	Net additional homes provided to meet the Core Strategy target	Planning	Annual	1,454	914	Not due		This measure is informed by an annual survey and calculated as the sum of new build completions, minus demolitions, plus any gains or losses through change of use and conversions. It is generally reported in the quarter following year end. There was overall increase of 12.9% in dwelling completions since 2013-14 (1287 completions)
BCP092	Increase the number of affordable homes delivered in Bristol	Economy	Quarterly	243	300	29 (Q2 target 75) Well Below Target		Affordable Housing (AH) Delivery for Q1 and Q2 combined is 29 AH against a cumulative target of 75. The reason for the shortfall against projected out turn is due to the following two projects slipping from Q2 to Q3: 1. Wapping Wharf (26 units)- this project has been further delayed due to roofing contractor going bankrupt and lack of trades on final fix. 2. Weir House (30 units) - there has been a delay in finalising the variations to the design and build contract between the developer and Merlin. Please see more detailed management report in Appendix B
Project	Delivery of a range of projects to support the development and viability of Bristol's High Streets and Local Centres	Economy	Ongoing	n/a	n/a	n/a	n/a	From August to September 15, the vacancy rate for the city's high streets/local centres fell to 6.8% from its previously static position of 7.5%. As previously, there are areas with a vacancy rate in excess of 10% (Ashley Road/Grosvenor Road, Bedminster, Church Road, City Centre, Lawrence Hill and Totterdown). In these areas work continues to establish ownership of vacant premises, especially where the property could be viewed as an eyesore. A business rate relief drop-in session targeted at people in Bedminster and Totterdown was delivered in September and has led to calls from business support partners for this to be made a regular event. Liaison with traders' groups (where they exist) continues in order to share information on support (Bedminster, Church Road, City Centre and Totterdown).

Global Green Capital

Code	Measure of Success	Division	Frequency of measure	2014/15 Outturn	2015/16 Target	2015/16 q2 progress (01 Apr - 30 Sept)	Direction of Travel (12 months)	Qtr. 2 comments about progress/achieving the target
BCP119	Improve energy efficiency from home installations (2015/16: no target, baseline to be established)	Energy	Annual	n/a	Baseline year	Not due	n/a	Between October 2014 and September 2015 there have been 725 installations (an additional 306 in the last quarter); 56% of all installations are for external wall insulation and new boilers/central heating. This new measure records the amount of energy savings in domestic properties realised from the initiatives led by the Energy Service's Housing Team e.g. upgraded insulation measures, double glazing and boilers. The savings will be calculated based on industry standards and extrapolated against local installations.
BCP120	Energy generated by initiatives led by the Energy Service	Energy	Biannual	1400kW	1800kW	666kW	n/a	This measure is specific to the amount of energy generated from the Corporate solar PV scheme. A total output of 1,800 kW is projected for 2015/16, although this will be dependent on the timely roll-out of projects. However the recent announcement of the Department of Energy and Climate Change to cut the Feed-In-Tariff subsidies by more than 87% means that targets will need to be reviewed and adjusted from January 2016 onwards.
BCP121	Increase the economic output measured by annual Gross Value Added (GVA) (£m)	Economy	Annual	£12,672m	£12,800m	Not due	↑	There are a wide range of factors which are relevant to the measurement of economic output for Bristol. Economic conditions during the year will then in turn directly influence the number of business registrations which take place. The quarterly Economic Briefing note for the current period ending <u>September 2015</u> presents information on the local labour market and commercial and industrial development. The briefing also captures recent business news including significant job gains and losses, and major development proposals.
BCP122	Increase the proportion of new business registrations per 1,000 working age population	Economy	Annual	7.23	7.50	Not due	↑	
BCP124	Reduce the total CO2 emissions in Bristol City (k tonnes)	-	Annual	1,937	1,879	Not due	n/a	Annual calculation for this measure is due c 18 months after year end. The indicator comprises of an annual amount of end user CO2 emissions across an agreed set of sectors (housing, road transport and business)
Project	Funding approval for projects promoted as part of the Strategic Economic Plan (Funding, and therefore delivery, does not start until 2015/6).	Place	Ongoing	n/a	n/a	n/a	n/a	A number of workstreams contributing to the Strategic Economic Plan are underway, including the Sustainable Urban Development Plan and the European Structural & Investment Fund (ESIF) Business Growth, Innovation and Low Carbon Priorities continuing work to influence shape of the first calls for projects to be issued by DCLG in late Nov, and specifically to develop business start up, early growth and social enterprise support projects in response to the Business Growth call. Avonmouth Severnside Enterprise Area (phase 1 infrastructure): following approval of funding, work is underway on both ecological field surveys and publishing an ITT for the design and development of the flood defence solutions; Filwood Green Business Park occupancy rates are ahead of forecasts, and a successful South Bristol Business and Jobs Fair was hosted there in September 2015

Global Green Capital (contd.)

Code	Measure of Success	Division	Frequency of measure	2014/15 Outturn	2015/16 Target	2015/16 q2 progress (01 Apr - 30 Sept)	Direction of Travel (12 months)	Qtr. 2 comments about progress/achieving the target
Project	To develop, and facilitate delivery a programme of events to celebrate Bristol's selection as the European Green Capital 2015. Success will be measured by the number of events successfully delivered in 2015.	Place	Ongoing	n/a	n/a	n/a	n/a	A wide range of business and community events took place during Q2 as the main programme embraced the summer holiday period; larger scale events included the Bristol Whales featured in Millenium Square, Arcadia, and the first flight of a solar hybrid balloon at the International Balloon Fiesta. The National Sustainable Schools annual conference as well as the International Making Cities Liveable (IMCL) Green Healthy Cities were both hosted as part of the Green Capital programme. Green Open Doors Day had greater participation than ever before and Community Energy Fortnight events were well attended.
Project	To reduce household energy demand and make energy production more sustainable	Energy	Ongoing	n/a	n/a	n/a	n/a	Bristol Energy Company: Following approval of the second Cabinet Report in July, the recruitment of the company's Directors commenced, with the Managing Director and Director of Sales and Communications appointed in early September. The Director of Operations and Director of Commercial and Trading joined in November. The company successfully entered into CME on 2 November and is currently on track to exit CME in December. The programme to set up the company is forecast to remain within the budget approved by Cabinet.

Keep Bristol Moving

Code	Measure of Success	Division	Frequency of measure	2014/15 Outturn	2015/16 Target	2015/16 q2 progress (01 Apr - 30 Sep)	Direction of Travel (12 months)	Qtr. 2 comments about progress/achieving the target
BCP061	Increase level of cycling across Bristol (baseline 2008/09 = index 100)	Transport	Annual	166	177	Not due	n/a	There has been a strong increase in performance with this measure since the last reported outturn of 143 in 2012/3. Technical issues around surveying have now been resolved and the list of sites used to report this indicator has also now been aligned to the sites used to report the Joint Local Transport Plan 3 (JLTP3) indicator to avoid duplication of effort. JLTP3 uses the same base year 2008/09 and the previous year figures are comparable. The 2015 National Highways Survey reported a slight increase in satisfaction with the provision of cycle routes (53.4% up from 50.9% in 2014)

Keep Bristol Moving (contd.)

Code	Measure of Success	Division	Frequency of measure	2014/15 Outturn	2015/16 Target	2015/16 q2 progress (01 Apr - 30 Sept)	Direction of Travel (12 months)	Qtr. 2 comments about progress/achieving the target
BCP062	Improvement in air quality in the Bristol Air Quality Management Area	Place	Annual	40.1(ug/m3)	40.0(ug/m3)	Not due	n/a	This measures nitrogen dioxide readings taken monthly from a range of over 20 locations across the city. The 2014/15 outturn only just missed the target, but had seen a considerable improved on the previous year when 45.2 ug/m3 was reported.
BCP063	Bus services running on time (<i>punctuality of scheduled departure times</i>)	Transport	Annual	1.12	No target set	Not due	n/a	This measure is currently being reviewed to ensure that the data supplied is meaningful. In September 2015 a Punctuality Improvement Partnership (PIP) was signed with the largest bus operator in the city which establishes a shared commitment by working together to improve reliability and punctuality for the benefit of customers. The 2015 National Highways Survey has reported a drop in satisfaction with the overall punctuality of bus services (43.3% compared with 47.9% in the 2014 survey), however external factors such as the extensive utilities improvement works across the city are likely to have impacted on this.
BCP064	Increase the number of passenger journeys on buses	Transport	Quarterly	33,837,991	35,000,000	17,833,834 Above Target 17,150,000 (Q2)		Overall passenger journey numbers are up 13.3% compared with the same period in 2014-15 (from 15,771,203 passengers) and therefore 4% over target. A significant increase over the summer is likely to be directly linked to the Shaun sculpture trail and other major summer events such as the Harbour Festival and International Balloon Fiesta, all of which bring additional visitors to the city.

Vibrant Bristol

Code	Measure of Success	Division	Frequency of measure	2014/15 Outturn	2015/16 Target	2015/16 q2 progress (01 Apr - 30 Sept)	Direction of Travel (12 months)	Qtr. 2 comments about progress/achieving the target
BCP151	Number of tourists to the city	Economy	Quarterly	3,541,172	3,542,000	2,066,939 Well Above Target 1,770,586 (Q2)		Visits to attractions and performing arts venues are 16.7% above the expected target for the year to date; this can largely be attributed to the Shaun in the City arts trail which ran in Bristol from 6 July - 31 August 2015, bringing in a higher than average number of visits to attractions. Hotel room sales across all categories of accommodation were up 2.2% on the same year to date (6 months) totalling 880,361 with overall occupancy running at around 86%.
BCP152	Number of visitors to Bristol Museums Galleries and Archives service	Economy	Quarterly	1,018,610	1,000,000	621,486 Well Above Target 500,000 (Q2)		Visits to BMGA sites were 24.3% above target and up 10.2% on the same period in 2014-15 (563,727). From 6 July - 31 August 2015 the Shaun in the City trail was on in Bristol, bringing higher than average visitor numbers to the museums (in particular Bristol Museum & Art Gallery, where there were 2 statues). A strong exhibitions and events programme over the summer, together with the working exhibits on harbourside and the summer opening of the house museums (Red Lodge and Georgian House) all contributed to the increased visitor numbers.

Working & Learning

Code	Measure of Success	Division	Frequency of measure	2014/15 Outturn	2015/16 Target	2015/16 q2 progress (01 Apr - 30 Sept)	Direction of Travel (12 months)	Qtr. 2 comments about progress/achieving the target
BCP121	Increase the economic output measured by annual Gross Value Added (GVA) (£m)	Economy	Annual	£12,672m	£12,800m	Not due	↑	There are a wide range of factors which are relevant to the measurement of economic output for Bristol. Economic conditions during the year will then in turn directly influence the number of business registrations which take place. The quarterly Economic Briefing note for the current period ending <u>September 2015</u> presents information on the local labour market and commercial and industrial development. The briefing also captures recent business news including significant job gains and losses, and major development proposals.
BCP122	Increase the proportion of new business registrations per 1,000 working age population	Economy	Annual	7.23	7.50	Not due	↑	

Reading Performance Reports

The following notes are provided to help put into context some of the terms used in performance reporting, and how to best interpret them.

Performance Indicators (PIs)

These are the metrics used to help us understand how effectively we are delivering our Corporate Plan, and have been carefully chosen to provide the best possible indication of progress (either directly or indirectly) against our Objectives. It is important that we have consistency throughout the year, so although an annual refresh is a necessary way to keep metrics current and related to strategic objectives, once chosen these measures will be in place for at least 12 months. As we move forward, it would be possible to do this refresh in conjunction with the relevant Scrutiny body.

Annual Indicators - where the out-turn can only be measured once a year, for example PIs derived from questions on the Quality of Life survey, or our annual GCSE results. Related comments on any report during Quarters 1 to 3 are therefore to contextualise what work is being undertaken to ensure that the target will be met at year end (usually in Quarter 4). An understanding of this should help when directing any questions to Officers around the associated PI.

Quarterly Indicators - where there is a performance update available each quarter. The comments here will in general relate to this revised outturn, and should also indicate why the metric is above/below target for the period. If the PI is below target, any associated comments should be specific as to what course of action is planned to get performance back on track. You may feel that any questioning here should focus on the validity of any proposed action(s).

Targets

Targets should always be set based on SMART principles – Specific, Measurable, Agreed, Realistic, Time-related. This includes the imperative that our targets should be stretching but achievable - if this is enacted correctly a true reflection of performance will be forthcoming each quarter.

The performance of our PIs is RAG rated as shown below:

Red – well below target - of high concern

Amber – below target - of concern

Green – above target - performing well

Clearly the main focus should be on those PIs rated in **Red** – performing well below target.

Direction of Travel (DoT)

This shows the how well the PI is performing in relation to how it was doing 12 months ago. It may be, for example, that the DoT shows improvement from last year (↑), however is currently performing below target (say **Amber**). This usually means that stretching targets have been set, and helps to give the performance of the PI greater context. This added information will doubtless assist when asking any related questions, however only quarterly metrics have a DoT each quarter; annual measures will have this just once a year.

Appendix B: Management Report – BCP092: Increase the number of affordable homes delivered in Bristol

Explanation of performance (why is it well below target):

Affordable Housing (AH) Delivery for Q1 and Q2 combined is 29 AH against a cumulative target of 75 AH. The reason for the shortfall against projected out turn is due to the following two projects slipping from Q2 to Q3:

1. Wapping Wharf (26 units)- this project has been further delayed due to roofing contractor going bankrupt and lack of trades available for final fix pre handover.
2. Weir House (30 units) - there has been a delay in finalising the variations to the Design and Build contract between the developer and Merlin

Major changes to operating environment since July 2015:

Delivery of affordable housing within the current framework and conditions in the housing market continues to be challenging. The rent reductions of 1% announced in the Budget statement in July, the impact of the voluntary Right to Buy (RTB) extensions and the recently announced Starter Homes Initiative impact on securing affordable homes through s106 are all likely to be 'game changers' in respect of the ability of housing associations to progress future developments.

Actions to bring metric back on target:

1. The Affordable Housing Framework approved by the Mayor in June 2016 will now have to be reviewed in the light of the Welfare Reform and Work Bill and the Housing and Planning Bill - therefore the Mayor is currently being briefed on alternative AH delivery models
2. The Housing Land Prospectus was published in September – significant interest being shown by major housebuilders
3. The Council has arranged a series of meetings with major developing RPs to better understand their new Business Plan to respond to changed operating environment and their capacity to respond to the Housing Land Prospectus.
4. A Council officer is working with a seconded officer from Homes & Communities Agency (HCA) to identify potential sites from the recently released schedule of 'stalled sites'
5. Two Project Managers for neighbourhood regeneration in Lockleaze and for Hengrove Park have been appointed
6. Proposals to appoint a Property officer to identify further deliverable BCC sites and Urban Design Officer to assist site preparation are being progressed
7. Four staff in Major Projects will complete their RICS Project management training in December with two further staff in Property due to start on the course in January.
8. Enabling Budget proposals: Increase to £1.5m in 2015/16 and £1.5m for next three years to be considered at Cabinet in November.

Expected impact of the Actions (with timescales):

1. Alternative affordable housing delivery models will give new impetus to the need to significantly increase affordable housing supply (Nov/Dec 15)
2. New Land Prospectus will give greater confidence to RPs and developers (Sept 2015)
3. Recruitment completed – improving capacity to deliver programme (Dec 2015)
4. Project management training completed – improving skills base of existing staff (Dec 2015)
5. New enabling budgets will provide BCC with a flexible financial resource to bring forward affordable housing schemes (Nov 2015)

Financial related information:

1. to 4 All actions detailed above can be met from existing Housing Development budget
3. New policies have no specific cost other than existing staffing costs
4. Project Managers costs agreed by Place PLT, Stalled sites officer (officers seconded from HCA), Property and Urban Design Officer to be met from Enabling fees budget for three years
5. Project Management Training costs up to £10,000 agreed by Human Resources
6. Enabling Budget for 2015/16 of £1.5m can be accommodated within Council's budget