

## **KPI Target setting 2022-23 Appendix 1:**

### **Key Performance Indicator (KPI) Target Setting Guidance 2023/24**

#### **Principles**

The Council operates a Performance Management Framework where accountability for delivery within allocated resources is clear. Performance is not just measured, it is understood and acted upon. Under-performance is discussed openly and honestly to ensure appropriate corrective measures are taken in a timely way.

“Continuous improvement” is the basic requirement of the performance management approach at Brighton & Hove City Council within available resources. It is a statutory requirement for the council as a Best Value authority requiring it 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.”

#### **Guidance for setting the target values:**

1. Performance targets are success measures of the outcomes we are trying to achieve. To measure progress against achievement of target, a RAG (Red, Amber, Green) rating is used.
  - If the set target is achieved or exceeded, the RAG status would be Green.
  - If performance is approaching the target i.e. within an acceptable range, the RAG status would be Amber.
  - If performance is off track and outside of the acceptable range, the RAG status would be Red.
  - Monitoring or trend indicators are defaulted to Grey and do not require Green or Amber values in the target setting template.
2. Performance Target Value (Green):
  - To set the target, use the latest available benchmarking data (e.g. statistical neighbour data, national data or any other comparable data) or any statutory/contractual target, whichever is more challenging. It is important to explain why a particular set of benchmarking have been selected. If performance is better than benchmarking data, current performance may be used as a target, but this is not mandatory, benchmarking data can be used as a target.
  - Where no benchmarking or statutory/contractual data is available, a sound rationale needs to be explained for a target figure e.g. improvement or maintenance from the current performance.
  - Where resources are reducing or being reallocated, or there are significant external factors which will impact on performance, a reduction target can be set. This will need to be clearly evidenced and agreed by Policy & Resources Committee (P&R).
  - Consider the financial impact of delivering the outcome of the KPI when setting the target.
3. Performance Threshold Value (Amber): Amber status value is set based on professional judgement e.g., taking into account national and local context for the particular indicator. This value shows the point at which performance is still considered to be acceptable, performance levels beyond this point would generate a Red RAG status.

4. If/when new benchmarking or other data becomes available after the targets have been approved by P&R, Corporate Performance Team to use revised target value so long as the rationale remains the same and to report a revised target figure to ELT and P&R for information. If the rationale gets changed during the year, Corporate Performance Team to seek approval from P&R before changing the target values.
5. Where possible targets must be set. Corporate KPIs should only be used as a trend KPI when introducing a target value could result in a perverse incentive e.g. setting a target for complaints may result in complaints not being recorded or encouraged. This would also apply to new indicators where we do not have data to base targets on. Not being able to achieve the target should not be used as a reason for not setting a target.
6. KPI target setting process timetable is below:

**Timetable:**

Date	KPI Target Setting
Jan/Feb 23	DMTs to provide initial views on Corporate KPI set for 2022/23 with a view to suggesting changes for 2023/24
Feb/Mar 23	2022/23 Corporate KPI set shared along with initial views from DMTs to be shared with Cross-party Member Working Group for seeking their views about 2023/24 KPI set.
Mar/April 23	Corporate Performance Team to work with DMTs taking account of views from Cross Party Member Working Group. Corporate Performance Team to send KPI target setting template to all Commentary / Data leads with as much info centrally completed as possible.
April/May 23	Commentary / Data leads complete the KPI target setting template
May 23	KPI Targets agreed by DMTs latest by week commencing 22 May 23
Jun 23	ELT peer challenge 7 June 23
Jul 23	SF&CR Committee agree KPI targets 13 July 23
Jul 23	Data/Commentary leads to update progress info for KPI for Q1 2023/24
Sep 23	KPI progress reviewed at ELT

**Contact:**

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