

Information sheet – Targets

What is a Target?

A target is a commitment we make to achieve a specific quality or level of service. Setting them enables service delivery to be focused and measured, leading to continuous improvement.

Targets can be both long and short term. Long-term targets are statements of where we want to be in, say, three to five years time. Short-term targets underpin these and represent the steps we take to achieve the long-term targets.

Best Value and CPA (Comprehensive Performance Assessment) together with Local Public Service Agreements in local government has emphasised the need for good performance monitoring and management. Performance indicators and service delivery targets are important elements in performance management.

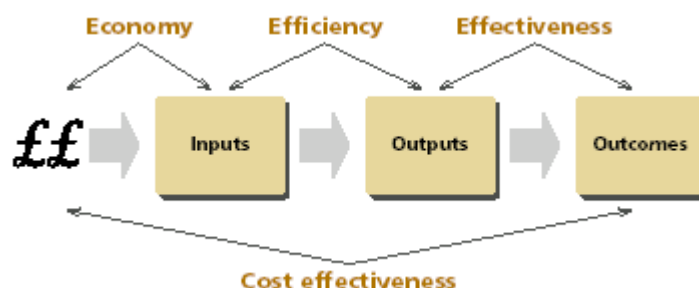
National and Local performance indicators and the targets set allow the public to judge how we are performing. **Performance indicators** are proxy measures to help us assess whether we are achieving our objectives, **targets** set a specific goal, challenging an organisation to improve. Authorities will need to think carefully about what sorts of performance measures and targets to set and how to achieve them.

Most local authority services can be measured in terms of inputs, outputs and outcomes.

- **Inputs** are what go into a service – money, staff, resources etc.
- **Outputs** are what the service provides and
- **Outcomes** are what happen as a result of a service.

To get a complete picture of how a service is performing authorities need to develop indicators to measure all three.

The following diagram from the Audit Commission shows in a simplified way the relationship between inputs outputs and outcomes.



For example the **input** could be the cost of providing new books in libraries, the **output** could be the number of new books provided, the **outcome** is the satisfaction levels of providing those books. It is no good providing x number of books at £x if no one reads them!

Outcome indicators are the most difficult to set and monitor, but in many cases are more important as they tell you whether the service is achieving its purpose.

This information sheet sets out how to approach target setting.

Why set Targets?

The development and monitoring of targets is an integral part of planning for the services we provide. Target setting should not be viewed as a statistical or administrative process carried out by a few. It is a key management process, which should be undertaken by everyone responsible for delivering service improvements.

Targets are important. They help to clearly focus on what is important. They can help us to improve our efficiency and effectiveness and can be used to demonstrate our performance to the public. They also:

- Focus attention on the kind of service that is needed, making it clear to staff, members and the public, what level of service is expected.
- Help front line managers focus effort and resources on priorities.
- Help organisations to develop a culture of continuous improvement.
- Put national performance standards into a local context.
- Help the public and service users to see whether services are being delivered efficiently and effectively and to hold the authority to account for performance.
- Help local authorities to know when and how to adjust services and resources according to policy priorities
- Provide a route for involving the public in planning services

Effective targets need to be realistic but challenging. They should always encourage improved performance, and motivate people when there is a probability of success. Targets that are too difficult debilitate rather than motivate and those that are too easy often lead to complacency.

What Targets and How Many?

The range and number of targets set is important. They should measure aspects of service delivery that are important, and not seek to make things that are easily measured important.

(a) Type

The two main types of targets used in local government are

- National (set by Government)
- Local (decided upon by individual authorities).

National targets are useful as they produce comparative results data against which each authorities performance can be compared.

Local targets are useful because they allow authorities to select targets which link more closely to the services they are providing and what they are trying to achieve. If well devised it is possible for the authority to commit itself to a particular level of performance in the future.

They are important because they:

- Allow chief officers and members to give a clear message to staff and contractors about what they expect to be achieved
- Provide a basis for consulting the public on what services and level of performance they expect the council to deliver
- Make it clear to staff what they should be doing
- Provide a clear benchmark against which to judge whether reported performance is acceptable or not

They can then be:

- Continuous targets - a level of service to be expected all the time, e.g. 100% of invoices to be paid within 30 days
- Time-bound targets – constituting a one off promise for a certain area, e.g. in 2004/05 we will work with parish councils to place 100 recycling banks in villages within the county.
- Percentage achievement targets – commitments to achieve a stated level of service against a standard, e.g. raise standards in English and Maths so that by 2004 85% of 11 year olds achieve level 4 or above.

They can measure level, volume or cost of a service. The type of target will depend on the purpose and the type of the service to be measured. They can be expressed in a number of different ways

Some options include:

example:

Absolute

reduce/increase by 15

Proportional or Percentage achievement

reduce/increase by 15%

Relative to a benchmark

from current to national upper quartile

Relative to cost

increase/reduce by 10% for the same level of budget

(b) Number

The number of targets set is also important. Setting targets for the sake of it can be counter productive and lead to 'target fatigue'. Too few can mean that attention is too focussed on the targets at the expense of other areas of work. Getting the balance right so that the correct number of targets are set which reflect the priorities of the services involved needs to be managed carefully.

In setting targets it is also important to think about what level of the organisation results against targets will be reported to. Targets can be set at an organisational, team or individual level. Consideration should also be given to how the targets will be communicated to people who need to know about them, and when and how they will be built into plans.

Should the target go in the Corporate Plan, the Best Value Performance Plan, the Directorate Service Performance Plan, a Unit Business Plan or in an individual member of staffs own development and review?

At whichever level the target is set it must still relate to higher level corporate and service outcomes. Even though the targets are set at different levels in the planning hierarchy they should all link together and it should be possible to trace the contribution made from each individual target right through to the corporate aims. This is known as the golden thread.

Setting Targets

The starting point for effective target setting is knowing where you are now and where you want to be in the future.

When deciding which services or aspects of services can be improved through target setting, councils should consider

- Member priorities: what are the councils policy priorities, and what are the areas that council members have expressed most concern about
- Public perception: do complaints, consumer surveys, external assessments or feedback from members reveal weak spots which need particular attention
- Universality: which services are used and relied upon by the largest numbers of local people
- Dependency: which services are most essential to particular groups
- Performance: which services are performing poorly and need special attention to improve them
- External intervention: have any services been singled out by external auditors or inspectors as being in particular need or attention

In setting targets local authorities need to take account of a wide range of views and should:

- Involve members, the public and staff
- Use national standards and codes of practice wherever possible

When setting a target you should also take account of the factors that will influence your ability to achieve it.

Here are some questions it might be useful to consider:

- What is the base/starting point?
- Is there a national target for this indicator? If setting a local target, how would it relate to it? *Targets for BVPI's (Best Value Performance Indicators) must take account of the guidance issued from the ODPM (Office of the Deputy Prime Minister) and of the NPSA (National Public Service Agreements)*
- How is the service performing at present?
- Has the last target been revised?
- What are we trying to achieve? What kind of improvement is possible?
- Are there any trends?
- Does past performance indicate possible future performance?
- What has similar activity achieved elsewhere? *This may involve comparison with other relevant services both within and outside the authority or with other best practice authorities. For example if the target is new and no data has been captured before, it may be useful to see what other authorities are setting, and to set a target in the light of better performance elsewhere.*
- Does the target represent value for money? How much will it cost to collect the data? *Benefits of collection must outweigh the costs, it is no good spending more on collecting the data for the target than the outcome achieves.*
- What issues are likely to affect performance towards target?
- Does it reflect corporate outcomes and policy?
- Is it achievable within existing resources, or will additional resources be required and if so how will they be financed? *This may mean that you have to do things differently to make improvements in performance in order to achieve the target. For example promoting a service to non-users, and you may have to consider the cost of this.*
- Is the target sufficiently challenging?
- Are there any barriers to achieving the target?
- What are the political targets?
- Have staff providing the service been consulted on the target and does it take account of their input? How will staff commitment be secured and does it have an impact on unit/service performance plans?

Good Target Test

When setting targets it is important to consider the following – targets should be 'SMART' that is, they should be

Specific - related to a service and corporate objectives
Measurable – input – output - outcome
Achievable - but also stretch the organisation
Realistic – able to reach the target
Timely and **T**imescaled – clearly setting out by when the expected standard or level of service will be achieved.

In addition they should be:

- Easily understood - cascaded so the whole organisation understands the links between targets and where responsibility lies for improvement
- Have the commitment of members and officers
- Be honest and unambiguous
- Demanding
- Of a manageable number
- Both long (3-5 years) and short term (the year ahead)
- Under continuous review, not set in stone

Problems to consider when setting targets

Targets do not have to be quantitative but they must contain a means of measurement or it will be difficult to assess how well you are doing in achieving the target

For example

A Good target 'staff sickness absence rate will decrease from 1000 days for 2002/2003 to 950 for 2004/2005

This target is specific, measurable and has an agreed timescale

A Bad target 'our organisational health will improve'

This target does not indicate what will be measured or over what time period

A Good target 'Cultural Services will increase the number of visits per thousand head of population to libraries from 5500 by 10% to 6050 before the end of 2005'.

This target is specific, measurable and has an agreed timescale

A Bad target 'we will buy as many books for schools as possible'.

This target does not indicate what will be measured or over what time period

Finally

Targets must not be set solely on the basis of what we have to achieve or what we'd like to achieve – they must be evidence-based projections. All targets must be supported by an 'action plan' containing a statement of how the target is to be achieved.

This will help external scrutinisers gain a sense of reality for our target-setting and wider performance management processes.

DO project forward year-to-date actuals and adjust for seasonal/known changes based on evidence from previous years/periods.

DON'T just roll forward targets from previous years without the thinking and justification to support this approach.

And DOCUMENT the target-setting process – who was involved, detail the methodology used and try and address how target-setting impacts upon resources.

Proforma

This document contains a proforma to be used to assist the target setting and recording process. It creates documentation, which records the process clearly states who is responsible for the process and how the targets were arrived at.

An electronic copy of this proforma is available on request from the Chief Executives Unit – Policy and Review Team. **Contact: Sharon Hickman – 01905 768690.**

Further sources of information

Audit Commission publications

“A measure of success – setting and monitoring local performance targets”

“On target – the practice of performance indicators”

“Acting on facts – using performance measurement to improve local authority services”

Available from the Audit Commission www.audit-commission.gov.uk

HM Treasury publications

“Choosing the right FABRIC – a framework for performance information”

http://www.hm-treasury.gov.uk/documents/public_spending_and_services/publicservice_performance/pss_perf_pischeck.cfm

Other authorities guides to target setting

www.bucksc.gov.uk/best_value/best_value_guides/index.stm

Useful website links

www.idea.gov.uk

www.hm-treasury.gov.uk

Policy and Review Team

Wendy James - Senior Policy and Review Officer – 01905 76680

Target Setting Proforma 2004/2005

PI Number	PI Definition
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Responsible Officer	Name	Phone No.
Department		
Target Setter	Name	Phone No.
Policy Officer		

Current Performance

Outturn for 2002/2003	Target for 2003/2004	Outturn for 2003/2004	Revised Target Information

Target Orientation	
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Target Setting

Top Quartile Value (where applicable)	Target for 2004/2005	Target for 2005/2006	Target for 2006/2007

Rational for future Performance

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Resource Implications

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