

Devon Audit Partnership - Performance monitoring 2017/18 - Possible Performance Indicators

Apendix A

	Local Performance Indicator (LPI)	Explanation	Comments	Full year Target	6 mth Target	Quarter 2 2017/18	Quarter 2 2016/17	Direction of Travel (where applicable)
Delivery	Percentage of Audit plans Completed for all our partners / clients	To provide assurance it is expected that we will deliver the agreed plans. Plans are not "tablets of stone" and should amend as risks develop. A 90% target is seen as sensible.	We compare the percentage of the audit plan completed at each of our "partners" and use this to drive our PI. At present, we do not include "external clients" - mainly because it is fiddly and time consuming to do so - but could be done.	90%	45%		38.30%	
	Percentage of chargeable time	We need to maximise the productivity of staff, understanding the value in training and developing. Keeping productivity high helps to keep our daily charge rate low.	A good target to have. Can be measured and compared in benchmarking exercises.	65%	65%		66.70%	
	Draft Reports produced within target number of days (currently 15 days)	We need to conclude our work and report our findings quickly so that management can address concerns / risks identified.	Standard IA target	90%	90%		87.70%	
	Final reports produced within target number of days (currently 10 days)			90%	90%		98.37%	
Customers	Customer Satisfaction - % satisfied or very satisfied as per feedback forms	This is about ensuring we treat our customers professionally; it is not about the results of the audit work.	Is 90% too low?	90%	90%		99.00%	
	Our audits "add value" to auditee and wider organisation.	Value added means different things to different people and different times; our aim is to provide added value in each audit, but this must be a client perception. In 16/17 we rec'd 13 individual feedback saying we had added value from a total of 103 feedback surveys. So 10% of returned surveys? Could this be our benchmark? Appreciate a "low" target, but it is difficult to get all clients to respond.....	Tricky. Sometimes customers will say "the audit added value as it confirmed all was OK" - is this really added value?	Currently we provide a snapshot at each Audit Cttee, showing some of the comments made. Is this useful?				

	Local Performance Indicator (LPI)	Explanation	Comments	Full year Target	6 mth Target	Quarter 2 2017/18	Quarter 2 2016/17	Direction of Travel (where applicable)
Staff	Sickness - short term < 5 days per episode	Short term sickness may be a sign of recurrent issues / unhappiness at work. Aim to keep as low as possible.	Bar chart ? To compare this and last year? Potential to break down by sickness type? Cold / D&V / stress etc.					
	Sickness - long term > 5 days per episode	Longer term sickness is often as the result of an operation or underlying medical issue not resolvable in the workplace. We need to understand reasons, make adjustment where possible, to facilitate a speedy return.	Bar chart ? To compare this and last year? Add commentary to support - E.g." we needed to make for allowances for x people and this allowed them to return sooner." Could also use this to outline any impact that the adjustments had on the partnership?					
	Staff - leavers	Annually - Could help to identify "problems"						
	Staff - starters	Do we need?	Suggest removing	5%	5%		13.00%	
	Unqualified staff undertaking formal training	Aim to have all staff "professionally qualified" in a relevant qualification ?						
	Management - appraisals completed	All staff to have an annual appraisal at some time during the financial year.	Pie chart showing % completed	100%				

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Finance	Capacity - days to "sell" or overcommitted.	Each year our partners / clients will agree audit plans; these indicate the days required. History tells us that each year more audit days are purchased - either to help with specific pieces of work, or possibly to cover for unforeseen circumstances (staff sickness etc.). In addition we need spare capacity at the start of the year in order to be able to deliver the extra work that we aim to sell. Our aim is to be aware of our starting gap, to close this gap during the year and ensure we do not overcommit our staff in delivering new or additional work.	Graph showing capacity and days sold. - 1/4/17 capacity = 4580; sold = 4316; spare 264 days - 30/6/17 capacity = 4580; sold 4480; spare 100 days - 30/9/17 capacity =4568; sold = 4597= over sold 29 days May be better as a line graph to show trends from one reporting period to the next.					
	Out-turn within budget	Aim to at least stay within budget.	Possibly a "stretch" target for a surplus ?? 1% of turnover = £12k - but this has not been achieved in last 4 years.	Yes	Yes		underspend	
	Clients / partners attracted	We wish to both retain and extend our client base. This indicator could inform on whether the expected number of new clients / partners are being / have been attracted. Note - Teckal rule may still have some relevance (80% of turnover to be "controlled2 by partners).	Pie chart showing where are income comes from.? But how do we set a target? Do we say 1 partner a year? But this is just a "guess" and not a real target. Currently 85% of our income is from "partners" - perhaps we look to simply increase this? Perhaps "increasing income on a steady and sustainable trajectory"?					

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	Diversification - increase in "non-audit" business	<p>We wish to diversify our services, providing more than just audit.</p> <p>This PI could measure how successful we are.</p>	<p>Pie Graph to show income by source type? But how do we set a target? At start of year this was 100% audit - now £35k from DCC re Risk Man.</p> <p>Do we set a £ target or a % target?</p> <p>Diversified income may come from our partners - so possibly in our partners hands, not DAP's?</p> <p>Balance to be achieved between an "easy" target and one which is realistic. (note all extra work needs to be delivered, so income is only one side of the challenge).</p>					