

Cabinet

14 September 2023

Council Plan 2022-2027 Integrated Performance Report Quarter 1 2023/24

Period under review: April 2023 to June 2023

Recommendations

That Cabinet:

- 1) Considers and comments on the Quarter 1 2023/24 organisational performance; and
- 2) Agrees to refer the report to Overview and Scrutiny Committees to consider, in detail, the information relevant to their individual remits.

1 Executive Summary

- 1.1 This report is a retrospective summary of the Council's performance at the end of Quarter 1 (April 2023 - June 2023) against the strategic priorities and Areas of Focus set out in the Council Plan 2022-2027. The paper sets out a combined picture of the Council's delivery, performance, HR, and risk:
 - performance is assessed against the Key Business Measures (KBM)s contained within the agreed Performance Management Framework (PMF) in Section 2 and [Appendix 1](#);
 - progress against the Integrated Delivery Plan is summarised in Section 3 and more fully presented within [Appendix 2](#);
 - management of Human Resources is summarised in Section 4 and the summary dashboard is presented in [Appendix 3](#); and
 - management of Risk is summarised in Section 5 and more detailed information is presented in [Appendix 4](#).
- 1.2 This summary report and the detailed performance appendices provide the complete picture of the Council's performance enabling scrutiny and transparency for the organisation, partners and the public. It enables Overview and Scrutiny Committees to consider performance within their own remits. All Members also have continual access to the Performance Management Framework using the [Performance Portal](#) in Power BI to further monitor performance on an ongoing basis.
- 1.3 The approach to strategic performance reporting continues to evolve. Members will be aware that there is a wealth of information and data, and we must use the analysis most relevant to our strategic priorities. At a

service level, there is also additional performance data which allows managers to manage the performance of the service day to day. In addition, nationally, Government is developing the role of the 'Office for Local Government' (OFLOG) and Warwickshire Officers are seeking to collaborate with OFLOG to ensure that a meaningful and useful data set is developed. We are keen to avoid an industry of performance reporting which might be burdensome and low value. As such, it is our aim that we streamline our performance data over the next year or so, to ensure that Members have the right and most useful performance data possible.

- 1.4 There are some key themes that emerged last year that continue to be highlighted by this report, and are impacted by WCC's current operating environment, including: increasing demand and costs being reported in Children & Families Services, Adult Social Care, Home to School Transport and in the number of applications made through the Local Welfare Scheme;
- increasing demand is resulting in the capacity and workload issues which has a further impact on delivery across the organisation, evidenced through staff feedback and addressing this is acknowledged as a high priority for the organisation;
 - difficulties in recruiting and retaining staff in a highly constrained national and local labour market were highlighted throughout 2022/23 and although overall there has been some improvement, issues remain within specific service teams for example Children & Families, Waste & Environment, Schools, and Planning; and
 - other services have specific challenges such as staff absence levels in Business & Customer Services, Children & Families and Adult Social Care.

Planned improvement activity to address these issues is described in section 4 of this report.

- 1.5 The 2023/24 PMF was agreed at the June Cabinet meeting and, of the 105 KBMs detailed in that PMF, 88 are available for reporting in Quarter 1. Table 1 below indicates the current assessment of performance:

Quarter 1	On Track	Not on Track
Status	66% (58)	34% (30)

Table 1

Table 2 below indicates the Direction of Travel (retrospective comparison), however, please note not all measures have a status e.g. where they are new and there is insufficient trend data:

Quarter 1	On Track			Not on Track		
	Improving	Static	Declining	Improving	Static	Declining
Direction of Travel	40%(16)	48% (19)	13%(5)	22%(6)	19%(5)	59%(16)

Table 2

Table 3 below indicates the future projection forecast for the next reporting period:

Quarter 1	On Track			Not on Track		
Projection	Improving	Static	Declining	Improving	Static	Declining
		33%(20)	62% (37)	5%(3)	50%(14)	21% (6)

Table 3

- 1.6 At Quarter 1, with a refreshed PMF, the overall position is comparable to that reported at Year End where 68% KBMs were reported as On Track and 32% Not on Track, continuing a consistently strong performance delivered against the PMF. This is an encouraging position against the continuing volatile, uncertain, and high-risk operating environment.
- 1.7 Appendix 1 details information for all measures within the PMF, including reasons why some measures are not being reported. Detailed measure-by-measure performance reporting is accessible through the Performance Portal.
- 1.8 Implementation of the Integrated Delivery Plan (IDP) continues with Quarter 1 seeing four projects (2%) completed. In the context of the challenging operating environment the overall delivery position is strong, with 78% (161) of the actions On Track. A further 16% (36) are At Risk/Compromised and 4% (5) are Not Started, and it is these actions which are reported on an exception basis in Appendix 2.
- 1.9 Our workforce profile in terms of age, ethnicity and staff turnover, remains static. Vacancies have reduced since the last quarter, leading to an increase in our FTE in post but this is still within budgeted FTE. Whilst sickness absence has risen over the last quarter, it is marginally lower than the same period in the last year (2022/23) and with targeted action it is anticipated it will stabilise and then begin to reduce.
- 1.10 Eight of the Council's 19 strategic risks have a red status. The red risks arise generally as a result of:
- the impact of current inflation on living standards and levels of inequality and the increasing costs of services, programmes and projects means the Council's funding delivers less;
 - risk of a stalling economy, cost of living challenges and Ukraine crisis and the impacts of such matters on the national and Warwickshire economic position;
 - levels of demand for services are increasing and the cost of providing those services is also increasing; and
 - uncertainty arising from external influences e.g. changes in Government policy.

- 1.11 At a more detailed service level, 90 risks are currently being monitored. We have started to review and refresh the risks across the Council to ensure that they are reflective of the current environment, priorities and the Integrated Delivery Plan and appropriate mitigations are in place. Over time this will influence the volume and value of risks presented.
- 1.12 The wider national context remains a critical frame within which to view the Council's performance. The UK continues to experience the consequences of both significant political, global and macro-economic factors, including industrial action across many sectors, the legacy impact of the Pandemic, and the ongoing war in Ukraine, high inflation, rising interest rates and the resulting fiscal challenges are impacting the communities of Warwickshire.
- 1.13 Such an unprecedented combination of events at a global and national level creates a period of significant uncertainty and a very challenging financial outlook in the short- to medium-term. This volatility is impacting on the Council's resources, both financial and in terms of recruitment and retention, levels of demand, and the approach to developing national policy, particularly Adult Social Care reform, levelling up agenda, support for cost of living pressures and climate change Net Zero ambitions.
- 1.14 Performance reporting will continue to track and highlight the impacts of this operating environment on delivery and performance. Recent analysis has informed prioritisation of activity and resource allocation during the refresh of the Integrated Delivery Plan, which was approved at the May Cabinet, and the updated Performance Management Framework.

2. Performance against the Performance Management Framework

- 2.1 The three strategic priorities set out in the Council Plan 2022 - 2027 are delivered through seven Areas of Focus. In addition, there are three further themes that will help the Council to be known as 'a Great Council and Partner'. The full performance summary is contained in Appendix 1.
- 2.2 Comprehensive performance reporting is enabled through the Power BI Performance Portal as part of the Performance Management Framework. Where applicable, some performance figures may now have been updated on the Power BI reporting system. The number of reportable measures will change each quarter as the framework considers the availability of new data.
- 2.3 Of the 88 KBMs available for reporting Quarter 1, 66% (58) are reported as being On Track and 34% (30) being reported as Not on Track. There are 17 measures unavailable for reporting at Quarter 1 for a number of reasons which are all outlined within Appendix 1.
- 2.4 Notable aspects of positive performance for specific measures include:
- % of adult victim-survivors leaving the WCC commissioned Domestic Abuse support service who say that they feel safer compared to when

they accessed the service, which is achieving 100% from 97% at Year End;

- the number of children subject to a Child Protection Plan, which despite an increase in June have now returned to a longer-term normal level and, although the target has been reduced from the start of this reporting year, it is being achieved;
- both waste management measures, No. of tonnes of carbon emitted by the Council as a waste disposal authority and % of household waste re-used, recycled and composted, are forecast to achieve the Year End target; and
- the number of people utilising WCC core settings with colleagues coming into the work settings more regularly, which has seen a steady month on month increase compared to the same period last year.

A broader area of positive performance relates to the “Promote inclusive, sustainable economic growth, successful business, good quality jobs and future skills” Area of Focus which is encouraging with all 8 reportable KBMs considered On Track at Quarter 1, full details can be found within Appendix 1 and the [Performance Portal](#).

2.5 There are some emerging performance areas that are becoming apparent through the PMF this Quarter:

- Warwickshire Fire and Rescue Service continues to find it difficult to achieve the agreed performance targets for appliance arrival time at incidents; the Service is working on a “resourcing to risk” analysis which is phased into 3 projects; Modelling, Development and Delivery. The initial modelling phase considers intervention times for a range of resource options and is due for completion in Nov 2023 and will inform more appropriate standards going forward to continue to keep the communities across the County safe from harm;
- demand is rising for No. of people supported in residential or nursing care: over 65 with 1,781 people at the end of Quarter 1 compared to target of 1,600;
- Dedicated Schools Grant High Needs % overspend compared to DSG recovery plan remains a challenge due to a variety of reasons including overspends on Independent School places and Specialist Resource Provision, causing significant pressure on the High Needs Block. Following the latest national data release, the trends in Warwickshire reflect a national picture. The Special Educational Needs and Inclusion Programme is being reviewed and refocused, and the Council is participating in the DfE’s Delivering Better Value programme;
- the % of maintained schools with a deficit budget continues to deteriorate due to the impact of pay awards; rising costs of energy bills and increasing pressures on covering for absences and growing numbers of vacancies which schools have been unable to fill; 17.21% of maintained schools have a deficit budget compared to the same period last year (13.74%), albeit lower than the March 2023 position of 18.7%; and
- the number of days sick absence per FTE (rolling 12 months) has seen a slight increase and is now reporting at 9.16 days per FTE and is over the

target tolerance range of 8 days (+/- 1 day), although it is lower than the same period last year, which was at 9.22 days.

Another broader challenging area is the 'Deliver our Child Friendly Warwickshire strategy - Happy, healthy, safe children' Area of Focus which has experienced a change since Year End with 5 of the 6 measures now Not on Track due to an increase in demand from people requesting and accessing services within the period. It should be noted that targets have been reviewed this year and are more challenging, however even if historical targets had been rolled forward the position would be the same, full details can be found within Appendix 1 and the [Performance Portal](#).

2.6 There are 67 measures of the 88 available for reporting, where there is enough trend data available to ascertain a Direction of Travel. 60% (40) of measures have a Direction of Travel that is On Track, the majority of which are either improving or static. Conversely, 40% (27) are Not on Track, the majority of which are declining (see table 2).

2.7 A total of 88 KBMs have a forecast projection from the responsible service for the forthcoming period (see table 3). Of the measures that are forecast to be On Track at Quarter 1, the majority are forecast to improve or remain static in that position.

Of those that are forecast to be Not on Track, the majority are forecast to improve or remain static, however, the following are forecast to decline further at the next reporting period, full details can be found within Appendix 1 and the [Performance Portal](#):

- % times a first fire appliance arrives at life risk of property incidents within agreed response standards;
- % Net Variation of Outturn Forecasts to Revenue Budget (Whole Council);
- % of maintained Schools with a Deficit Budget;
- Dedicated Schools Grant (DSG) High Needs Block (HNB) in year forecast % overspend compared to the DSG Recovery Plan;
- No. of projects seeking member approval to changes in cost, time, scope or risk; and
- No. of documents being printed by the organisation.

In addition, the % of in year applications that have a school place offered within the target deadline of 10 school days and % of in year applications that have a school place offered within the statutory deadline of 15 school days KBMs are in the same position with performance being Not On Track as assessed against high targets of 95% and 100% respectively. Overall performance has continued to improve since summer last year but is projected to decline over the next quarter as there is a temporary move back to the manual system from the auto allocation method whilst some system glitches are resolved.

The projection provided at Year End for Quarter 1 was broadly accurate for those measures that remain in the new PMF.

2.8 A set of high-level, cross-cutting, long-term Warwickshire Outcome Measures, which the Council can influence but are not solely responsible for, are also contained in the Performance Management Framework. These are reported within a [dashboard](#) informing the ongoing State of Warwickshire reporting and includes Levelling Up and the Cost of Living metrics. A summary of position will be included in the Year End Integrated Performance Report.

3. Performance against the Integrated Delivery Plan

3.1 The recently updated [Integrated Delivery Plan](#) aligns priority activity from across all Service areas against the Areas of Focus within the Council Plan 2022-27. The Plan shows how activity across Services collectively contributes to delivering these priorities.

3.2 Detailed information on the performance summary of the Integrated Delivery Plan is included at [Appendix 2](#). A new [Power BI reporting dashboard](#) is now available and enables Members to track progress by Service, status, Council Plan Area of Focus, Overview and Scrutiny Committee and Portfolio Holder.

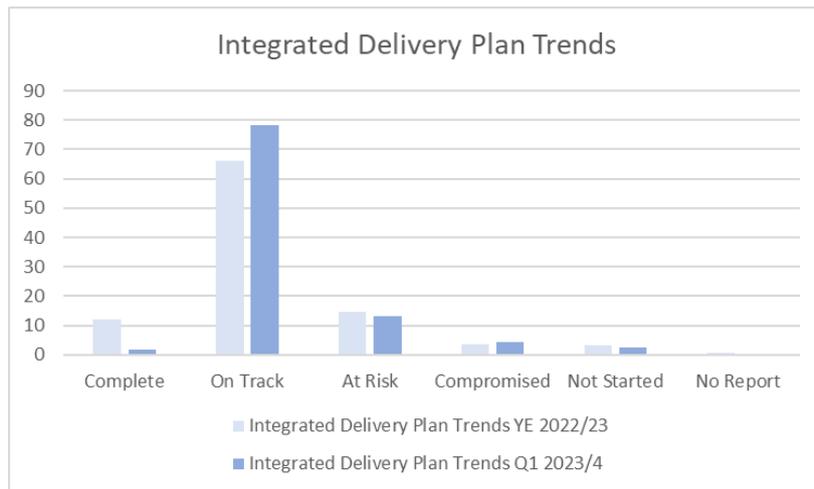
3.3 There are 205 actions within the Integrated Delivery Plan, with four of these closing this Quarter. At Quarter 1, 78% (161) are On Track and 2% (4) Complete, 16% (36) are At Risk/Compromised and 4% (5) Not Started, and it is these actions which are reported on in [Appendix 2](#) on an exception basis.

3.4 Table 4 below shows the breakdown of statuses by Area of Focus:

Area of Focus	Complete	On Track	At Risk	Compromised	Not Started	TOTAL
Create vibrant places with safe and inclusive communities	0	16	2	0	0	18
Deliver major infrastructure, digital connectivity and improved transport options	2	25	0	0	2	29
Promote inclusive, sustainable economic growth, successful business, good quality jobs and future	0	18	8	1	1	28
Tackle climate change, promote biodiversity and deliver on our commitment to Net Zero	0	15	5	0	2	22
Deliver our Child Friendly Warwickshire strategy - Happy, healthy, safe children	0	11	4	2	0	17
Through education, improve life opportunities for children, young people and those with special	1	25	2	1	0	29
Support people to live healthy, happy, and independent lives and work with partners to reduce	1	22	1	0	0	24
Great Council and Partner - Harnessing Community Power	0	11	0	0	0	11
Great Council and Partner - Using our data and digital solutions to improve service delivery	0	9	4	4	0	17
Great Council and Partner - Our people and the way we work	0	9	1	1	0	11

Table 4

3.5 The following graphic shows a comparison of the delivery status of activities (%) at Quarter 1 against Year End 2022/23.



3.6 Several actions remain At Risk relating to capital programmes and projects, where current inflation levels and supply chain challenges are creating significant levels of risk and uncertainty about capacity to deliver as planned within available resources. Scheme-by-scheme due diligence is underway to review inflationary pressures on the existing capital programme to help inform decisions about allocation of the £15m inflation contingency fund agreed at Council on 29th September 2022.

- 3.7 Important emerging points to highlight in terms of delivery, the impacts of which will be followed up during the next Quarter, are:
- the local municipal Waste Management Strategy review is yet to start due to awaiting clarity on the Government's new resources and waste strategy;
 - the Mobile Data Terminal project in Fire has been delayed by staffing shortages; the service is considering funding an external support to assist with this;
 - the data sharing aspect of the Multi Agency Dashboard project is delayed by a lack of ICT resource; the service is continuing to develop the Business Case and will consider how to resolve this as part of that work; and
 - the implementation timetable of the third of our Internal Care Homes is at risk due to the capacity of property services and contractors to complete relevant works to required timescales, which will delay opening and delay savings being achieved.

4. Management of Human Resources (HR)

4.1 The HR performance reporting dashboard is included at [Appendix 3](#).

4.2 Sickness Absence:

- Overall, there has been a slight increase in absence across the first quarter.
- The outturn of 9.16 days per FTE now means that the tolerance level of the target of 8 days per FTE (+/- 1 day) has been marginally exceeded;

- Covid-19 absences continue to reduce and is now the fifth cause of absence;
- The highest reason for sickness absence remains stress and mental health, which has increased again ending Quarter 1 with 2.97 days per FTE from 2.57 at the end of last year (2022/23) and is now above the target of 2.5 days per FTE.
- The key focus areas continue to include targeting activity to reduce high areas of absence and ensuring those on long term sick are resolved in a timely way. It is anticipated that the new Occupational Health and Employee Assist Programme provider will support with this work once the contract is awarded. Work is continuing towards achieving Silver Thrive at Work status and a Wellbeing check-in is in progress to assess the wellbeing status and needs of our people to ensure activity is targeted where it is required.

4.3 Establishment:

- Recruitment and retention activity has led to a reduced number of vacancies. With the continued focus on recruitment and retention, it is anticipated that FTE in post may continue to rise over the coming year, but this will remain within the overall budgeted FTE set for the Council.

4.4 Age profile:

- The age profile of the organisation remains static, with over half of the workforce, 54.3%, being aged between 25 and 50

4.5 Ethnicity:

- The ethnicity profile of the organisation remains relatively static with 72.3% of the workforce being White British.

4.6 Staff turnover:

- Turnover, at 11.6% for the rolling 12 months, is marginally lower than the 2022/23 year-end position of 12.9%. This is encouraging, although there are continuing recruitment challenges in several areas. The Local Government pay award for 2023/2024 is yet to be settled, and trade unions ballots on industrial action are at various stages, which could lead to industrial action.
- 61% of leavers are due to voluntary resignations, which is an increase compared with 53% in Quarter 4 of 2022/23. This could be attributed to a higher percentage of end of fixed term contracts at the end of Quarter 4 (22/23) compared to the end of this Quarter.
- Several agreed priorities within the Our People Strategy year three plan aim to make the Council an employer of choice particularly through work on the following priorities:
 - pay and reward;
 - recruitment and retention;
 - strategic workforce planning;
 - Equality, Diversity and Inclusion; and
 - engagement.

5. Management of Risk

- 5.1 The Strategic Risk Register reflects an increase in the assessed risk arising from the deteriorating economic position, inflationary pressures and the chance of negative results from commercial and investment activity. An increase has also been highlighted in the risk relating to uncertainty from external influences e.g. change in Government policy.
- 5.2 There are various national reviews planned or being undertaken, most of which are relevant to the People Directorate. References have been made to social care reform and also Levelling Up as part of Quarter 1 risk review. The following 8 of the 19 strategic risks have a red status after allowing for mitigating actions, an increase of two since the last risk update:
- economic growth slows or stalls;
 - widening inequalities;
 - not achieving commitments to sustainable futures;
 - negative results from commercial and investment activity;
 - SEND resources are insufficient to meet demand;
 - uncertainty arising from external influences e.g. Government policy;
 - inflation and the rising cost of living; and
 - a successful cyber-attack.
- 5.3 Risk registers are also maintained at Service (Director) level, with 90 risks currently being monitored across 13 Services at Quarter 1 of 2023/24, which is a rise from 81 at the end of 2022/23. Key service risks are highlighted in two ways:
- by a red/amber/green rating signifying low through to high risk: at Quarter 1, 20 risks out of 90 are classified as net red risks after mitigating controls; and
 - by comparing the current assessed risk with the respective target level of risk: at Quarter 1, 18 risks have been exceeding their target for 3 quarters or more and are currently exceeding the target by a score of more than 3.
- 5.4 Risk targets were introduced to help the Council operate in a more risk-aware way; for example, it may be necessary to accept certain risks to access certain opportunities to deliver service outcomes (such as supporting economic recovery), or it may be prohibitively expensive to resource a service or process to operate at zero risk
- 5.5 A summary performance reporting dashboard for risk is included at [Appendix 4](#) showing:
- Appendix 4a is a summary of the strategic risk register analysed by risk likelihood and risk impact shown in a heatmap; and
 - Appendix 4b is a summary of service risks highlighting red risks and risks consistently above target for 3 quarters or more and scoring more than 3 points higher than the target risk.
- 5.6 Risks that are identified have mitigation activity highlighted, including controls and actions, which are reviewed and updated periodically by relevant

managers. An interim Risk Manager is in place to help build risk management awareness, capacity and capability across the Council.

- 5.7 Over the course of the summer period, the risk appetite statements will be refreshed to ensure they are fit for purpose. There is also an opportunity to refresh the risk records to ensure that the most significant risks are captured at a strategic and service level.

6. Financial Implications

- 6.1 There are none specific to this report, but Cabinet is referred to the associated finance performance report, which is on the same agenda as this paper.

7. Environmental Implications

- 7.1 There are none specific to this report.

Appendices

Appendix 1 – Quarterly Performance Report

Appendix 2 – Progress on Integrated Delivery Plan

Appendix 3 – Management of Human Resources dashboard

Appendix 4 – Management of Strategic Risk

Background Papers

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The report was circulated to the following Members prior to publication:

Local Member(s):

Other Members: OSC chairs