

Cabinet

9 November 2023

Council Plan 2022-2027 Integrated Performance Report Quarter 2 2023/24

Period under review: April 2023 to September 2023

Recommendations

That Cabinet:

1. Considers and comments on the Quarter 2 2023/24 organisational performance.
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 2 (April 2023 – September 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 (KBMs) 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 that is used in analysis most relevant to the 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, Government is developing the 'Office for Local Government' (Oflog) and Council Officers are seeking to collaborate with Oflog to ensure that a meaningful and useful data set is developed to support improvement in a proportionate manner. 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, considering any national metrics emerging from Oflog.

- 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, SEND provision, Home to School Transport and in the number of applications made through the Local Welfare Scheme;
 - demand increasing much more quickly than resources 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, Social Care and Support, Waste & Environment, Schools, Commercial and Contracts, On-Call firefighters and Planning officers; and
 - other services have specific challenges such as staff absence levels particularly Business & Customer Services and Social Care and Support.

- 1.5 The 2023/24 PMF was agreed at the June Cabinet meeting and, of the 105 KBMs detailed in that PMF, 91 are available for reporting in Quarter 2. The remaining 14 are all new measures to the PMF and not due for reporting until Quarter 3 or Year End. Table 1 below indicates the current assessment of performance:

Status	On Track	Not on Track
Quarter 1	66% (58)	34% (30)
Quarter 2	65% (59)	35% (32)

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:

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

Quarter 2	40% (17)	48% (20)	12% (5)	7% (2)	34%(10)	59% (17)
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Table 2

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

Quarter 2	On Track			Not on Track		
Projection	Improving	Static	Declining	Improving	Static	Declining
		40% (24)	53% (32)	7% (4)	35% (11)	52% (16)

Table 3

- 1.6 At Quarter 2, with a refreshed PMF, the overall position is comparable to that reported at Quarter 1 where 66% KBMs were reported as On Track and 34% Not on Track, continuing a reasonably consistent, strong performance delivered against the PMF. This is an encouraging position given the challenges of the current operating environment, which include inflation and interest rates, the impact of global instability, market failures, extremely high demand for social care and education services and resourcing challenges including workforce. [Appendix 1](#) details information for all measures within the PMF. Detailed measure-by-measure performance reporting is accessible through the [Performance Portal](#).
- 1.7 Implementation of the Integrated Delivery Plan (IDP) continues with Quarter 2 seeing a further nine projects (5%) completed. In the context of the current operating environment the overall delivery position is strong, with 74% (145) of the actions On Track, 19% (36) are At Risk/Compromised and 2% (4) are Not Started, and it is these actions which are reported on an exception basis in [Appendix 2](#).
- 1.8 Our workforce profile in terms of age, ethnicity and staff turnover, remains static. Vacancies have reduced again since the last quarter, leading to an increase in our FTE in post but this is still within budgeted FTE. Sickness absence has decreased slightly over the last quarter, and 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. However, there are significant specific workforce challenges affecting certain key services which work on strategic workforce planning is addressing.
- 1.9 During Quarter 2, a risk working group was convened to review and refresh the strategic risks that face the Council in the pursuit of its priorities. Currently, 5 of the 7 refreshed strategic risks have a red status, and these risks generally arise because of:
- demand for services continuing to increase and the cost of providing those services is also increasing creating a potential mismatch between demand and resources;
 - national economic conditions giving rise to a slowdown of the economy in Warwickshire, contributing factors include inflation, interest rates and cost of living rises;

- supply challenges in the labour market, and cost of living pressures arising from inflation, creating recruitment and retention challenges; and
- changing types and volumes of cyber-attack experienced nationally.

- 1.10 At a more detailed service level, 84 risks are currently being monitored. Risks are being reviewed and refreshed across the Council to ensure that they are reflective of the current environment, priorities, the Integrated Delivery Plan and to ensure that appropriate mitigations are in place. Over time this will influence the content, volume and value of risks presented.
- 1.11 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, global conflict, high inflation and interest rates and the resulting fiscal challenges are impacting the communities of Warwickshire.
- 1.12 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, support for cost-of-living pressures and climate change.
- 1.13 Performance reporting will continue to track and highlight the impacts of this operating environment on delivery and performance. Ongoing analysis continues to inform the prioritisation of activity and resource allocation of the Integrated Delivery Plan and the 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 91 KBMs available for reporting at Quarter 2, 65% (59) are reported as being On Track and 35% (32) being reported as Not on Track. The remaining 14 measures are all new measures to the PMF and are not due for reporting until Quarter 3 or Year End.
- 2.4 Notable aspects of positive performance for specific measures include:
- The measure ‘% of applications made to the Warwickshire Local Welfare Scheme which are supported’ considers the number of successful applications for support to the Warwickshire Local Welfare Scheme, whereby 99% of applicants received support in kind this period. Between 1st April and 30th September 2023 there were 5,902 applications to the Local Welfare Scheme, with 5,852 successful applications. There has been sustained high levels of performance for this measure, despite the service anticipating a continued increase in demand from households facing financial challenges due to the cost of living rises. Between Quarter 2 2022/23 and Quarter 2 2023/24, there was a 59% increase in the number of applications.
 - The No. of people supported to live independently through provision of Social Care equipment has been continuously above target for the last year. It is predicted demand for the service will continue to grow based on the current successes of the service, forecast demand with demographic data showing an aging population for Warwickshire, and the programmes and initiatives within health and social care to promote the aim of customers staying in their own home and receiving home-based support to remain independent.
 - This Quarter the % of people with long-term support who have had an assessment or review in the last 12 months reached and exceeded the target. This is a new measure introduced at the start of the financial year and has been steadily increasing each month. This is positive as regular reviews benefit customers and carers by ensuring needs are continuously met and crises are pre-empted.
 - This Quarter the two measures for the ‘% of in-year applications with a school place offered within the target of 10 school days’ and also ‘within the statutory deadline of 15 school days’ have both moved to On Track, despite being flagged as improvement activity last Quarter. This is following the Admissions improvement programme that has been put in place and is supporting overall improvements and efficiencies in the Service.
 - The Employee Wellbeing Score this year has increased from 77% in 2022/2023 to 81% in 2023/2024, which aligns to the focussed work on the wellbeing offer and reflects positively on work on equality, diversity, inclusion and well-being.

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 2 continuing the trend across this reporting year, full details can be found within [Appendix 1](#) and the [Performance Portal](#).

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

- Warwickshire Fire and Rescue Service has not achieved the agreed performance targets for appliance arrival time at incidents; the Service is looking at evidence-based options to review standards going forward to continue to keep communities across the County safe from harm;
- Demand is rising for social care for those over 65, with the No. of people currently in residential or nursing placement: over 65 reaching 1,862 this Quarter, which is in comparison to a target of 1,600 and a figure of 1,625 one year ago in September 2022. Alongside this the % of people open to Adult Social Care with eligible needs living in the community with support over the age of 65 has been slowly declining and has been consistently below the target for almost a year. This is in part due to increased frailty and carer strain, and further analysis is being undertaken to identify what other causes are leading people going into residential settings. It is worth noting that rising residential or nursing placements for older people can also be seen as a positive indication that care providers are maintaining the health and wellbeing of older customers. Linked to this, Social Care and Support have been reporting an overspend in the older people's service across the provision of residential, nursing and domiciliary care. This pressure is due to unexpected increases in the unit cost of support, alongside an increase in the number of people requiring support. Action being taken includes restricting spend on non-statutory services, increased reviews and improved joint working with Health colleagues. Further information can be found within the Financial Monitoring Report.
- Following steady increases over the past year, this Quarter the % of children and young people with an Education, Health and Care (EHC) plan attending a mainstream school has dropped, reaching 32%, and meaning Warwickshire is now below the national average of 40% for this metric. This drop is due to an increased level of need and demand for special school places; there were over 800 requests for specialist provision in 2022/23 compared to 400 the previous year. This position is reflective of systemic challenges in local education systems, and SEND provision now has a higher profile in Ofsted's Education Inspection Framework. It is however forecast by the Service that performance in this measure will improve, as more EHC plans are due to be issued to children and young people who are already settled in a mainstream setting.
- Linked to rapidly increasing demand for SEND provision, home to school transport costs for SEND and mainstream pupils have further increased from the Quarter 1 position. Cost per SEND student journey (£) has increased from £27.04 to £27.44 and Cost per mainstream student journey (£) from £4.93 to £5.06. The increase is due to increasing costs from providers and increasing numbers of children travelling to non-local schools.
- Dedicated Schools Grant High Needs % overspend compared to DSG recovery plan remains a significant challenge due to demand and individual unit costs continuing to rise above expectations. There are a

variety of contributing reasons including overspends on Independent School places; Specialist Resource Provision and Post 16 provision, all leading to significant pressure on the High Needs Block, which is materially underfunded at a national level; while the Council is pleased to be working with the Department for Education on the Delivering Better Value programme to mitigate this risk, it is highly unlikely it will prevent long-term overspends in the absence of a national solution to SEND funding; and

- % Net Variation of Outturn Forecasts to Revenue Budget (Whole Council) is an area of improvement activity with the estimated Year End outturn estimated at 4.25% which is outside the +/- 2% tolerance. The Quarter 2 Finance Monitoring Report has the full detail on the position.

Another broader challenging area is the 'Deliver our Child Friendly Warwickshire strategy - Happy, healthy, safe children' Area of Focus. This was highlighted at Quarter 1 and is again being highlighted at Quarter 2 due to all 6 of the 6 measures now being reported as Not on Track. This follows a period of previously improving performance related to numbers of Children in Care and those with an open Child in Need category over the 2022/23 reporting year. The decline in performance can be attributed to an increase in demand from people requesting and accessing services within the period due to the cost-of-living crisis, alongside rising numbers of teenagers with social, emotional and mental health needs. This has resulted in a rise in caseloads for some key teams. It should be noted that targets have been reviewed this year and are more challenging.

2.6 There are 71 measures of the 91 available for reporting, where there is enough trend data available to ascertain a Direction of Travel. 59% (42) of measures have a Direction of Travel that is On Track, the majority of which are either improving or static. Conversely, 41% (29) are Not on Track, the majority of which are declining (see table 2).

2.7 A total of 91 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 2, 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](#):

- No. of people currently supported in residential or nursing care: over 65,
- % 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; and
- No. of documents being printed by the organisation.

The projection provided at Quarter 1 for Quarter 2 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 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.

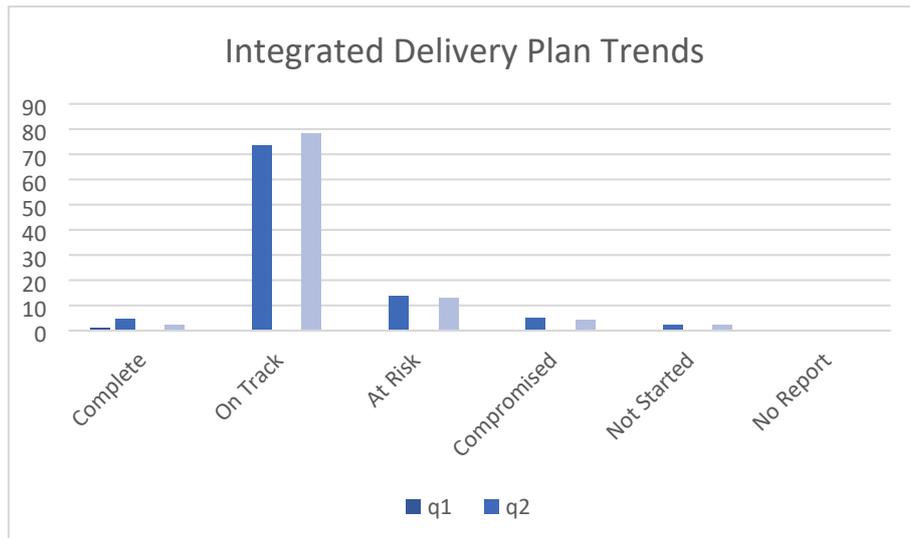
3.2 Detailed information on the performance summary of the Integrated Delivery Plan is included at Appendix 2. A new Power BI reporting dashboard is now available and enables Members to track progress by Service, status, Council Plan Area of Focus, Overview and Scrutiny Committee and Portfolio Holder.

3.3 There are 197 actions within the Integrated Delivery Plan, with nine of these closing this Quarter. At Quarter 2, 74% (145) are On Track and 5% (9) Complete, 19% (36) are At Risk/Compromised and 2% (4) 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	14	3	1	0	18
Deliver major infrastructure, digital connectivity and improved transport options	1	21	0	0	0	22
Promote inclusive, sustainable economic growth, successful business, good quality jobs and future	2	16	8	2	0	28
Tackle climate change, promote biodiversity and deliver on our commitment to Net Zero	1	13	6	0	2	22
Deliver our Child Friendly Warwickshire strategy - Happy, healthy, safe children	0	11	3	3	0	17
Through education, improve life opportunities for children, young people and those with special	4	19	1	3	1	28
Support people to live healthy, happy, and independent lives and work with partners to reduce	0	23	0	0	0	23
Great Council and Partner - Harnessing Community Power	0	10	0	0	1	11
Great Council and Partner - Using our data and digital solutions to improve service delivery	1	9	4	3	0	17
Great Council and Partner - Our people and the way we work	0	9	2	0	0	11

3.5 The following graphic shows a comparison of the delivery status of activities (%) at Quarter 2 against Quarter 1.



- 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;
 - Capital Work to Youth Centres has been delayed. There is a need for extensive surveys to consider options, a requirement for coproduction of any future changes with young people and with the local community. A plan will be brought together to how property services and the children and families service can locate resources and funding to progress the project.
- 3.8 There are several successes to highlight this Quarter, in particular:
- Actions taken within Warwickshire Fire and Rescue Service have resulted in an improved inspection report from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). Areas of concern have reduced by two thirds, and areas for improvement have reduced by half.
 - The Education Capital Programme have ensured successful delivery of the new 6th form block at Myton School which has allowed Oakley School to open in September 2023 for a Year 7 cohort. Griffin School was completed over the summer and opened its doors in September 2023. The construction for Oakley School is on track and due to be complete for September 2024.

- The Education Capital Programme has also successfully completed the expansion of the Griffin School in Rugby over summer 2023 and opened its doors in September.

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 decrease in absence across the second quarter.
- The outturn of 9.13 days per FTE means that the tolerance level of the target of 8 days per FTE (+/- 1 day) continues to be exceeded.
- The highest reason for sickness absence remains stress and mental health, which has increased slightly again ending Quarter 2 with 2.98 days per FTE from 2.97 at the end of last quarter and 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. Work towards achieving Silver Thrive at Work accreditation continues and the results from the latest wellbeing check are being reviewed to ensure that wellbeing activity is targeted as required. The new Occupational Health provider and Employee Assistance Programme (EAP) contract has been awarded and the Service will be looking to work with them to support with further improvement activity.

4.3 Establishment:

- Recruitment and retention activity has led to a reduced number of vacancies. With the continued focus on recruitment and retention, and reduction in turnover, 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, 54.7%, being aged between 25 and 50.

4.5 Ethnicity:

- The ethnicity profile of the organisation remains relatively static with 72.4% of the workforce being White British.

4.6 Staff turnover:

- Turnover, at 11.4% for the rolling 12 months, is lower than for the same period last year (2022/23) of 13.7%. This is encouraging, although there are continuing recruitment challenges in several areas notably in Children & Families and Social Care and Support. The Local Government pay award for 2023/2024 is still yet to be settled, although the trade unions have agreed to reconvene within a few days of GMB's strike ballots closing (24 October) after which we hope to have further news.

- 59.9% of leavers are due to voluntary resignations, which is a slight decrease compared with 61% in Quarter 1. This could be attributed to a higher percentage of end of fixed term contracts at the end of Quarter 1 (23/24) compared to the end of this Quarter.
- Several agreed priorities within the Our People Strategy 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, Inclusion and Well-Being; and
 - engagement.

5. Management of Risk

- 5.1 Corporate Board commissioned a review of the strategic risk register and the Strategic Risk Management Framework at the end of Quarter 1. During Quarter 2, a risk working group was convened, made up of Directors and key officers, to carry out the review and refresh to strategic risks and to consider aspects of the Framework.
- 5.2 During the first meeting of the group a control, risk self-assessment exercise was facilitated by the risk team. Refreshed strategic risks were developed and a refreshed strategic risk register was populated, including scores, controls and actions, taking account of officers' views.
- 5.3 Executive Directors' views were then sought and taken account of through the development process. Mapping also took place to the existing strategic risks and assurance has been provided to Corporate Board to demonstrate the content of the existing strategic risks has been incorporated and accounted for.
- 5.4 A second working group meeting was held to fine tune the refreshed strategic risks. Directors not involved in the working group have been consulted and their comments taken into account to further refine the refreshed strategic risks. The draft refreshed strategic risks have been presented to Corporate Board in early October and agreed, subject to a small number of amendments, which have predominantly been addressed with the remainder becoming effective during Quarter 3 monitoring reviews and reporting.
- 5.5 The refreshed strategic risks are highlighted in [Appendix 4](#) and the following five out of seven have a red status after allowing for mitigating controls:
- slow economic growth and increase in inequalities across communities;
 - mismatch between demand and resources;
 - lack of movement towards sustainable futures;
 - insufficient skilled & experienced workforce; and
 - successful cyber-attack.

- 5.6 Risk registers are also maintained at Service (Director) level, with 84 risks currently being monitored across 13 Services at the end of Quarter 2, which is a reduction of six (taking account of 13 closed risks and 7 new risks) in the quarter. Key service risks are highlighted in two ways:
- by a red/amber/green rating signifying low through to high risk: at Quarter 1, 21 risks out of 84 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 2, 13 risks (five less than Quarter 1) have been exceeding their target for 3 quarters or more and are currently exceeding the target by a score of more than 3. 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.
- 5.7 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.
- 5.8 Risks that are identified have mitigation activity highlighted, including controls and actions, which are reviewed and updated periodically by relevant managers.
- 5.9 Over the course of the autumn period, the risk appetite statements and additional aspects of the Strategic Risk Management Framework will be reviewed and updated as appropriate. Ongoing monitoring and review of the strategic and service risks will also take place.

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): N/A – This is a countywide matter.

Other Members: Chairs of Overview and Scrutiny Committees