

Cabinet

17 February 2022

Council Plan 2020-2025 Quarter 3 Performance Progress Report Period under review: 1st April 2021 to 31st December 2021

Recommendations

Cabinet is recommended to:

- a) Consider progress on the delivery of the Council Plan 2020 - 2025 for the period as contained in the report.

1. Report Summary

- 1.1. This report summarises the performance of the Organisation at Quarter 3, 1st April 2021 to 31st December 2021.
- 1.2. Key Human Resources performance measures and the management of Strategic Risks are also highlighted within this report.
- 1.3. Comprehensive performance reporting is now enabled through the following link to Power BI [2021/22 Cabinet Performance Report](#).

2. Performance Commentary

2.1 The Council Plan 2020 - 2025 aims to achieve two high level Outcomes:

- **Warwickshire's communities and individuals are supported to be safe, healthy and independent;** and,
- **Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure.**

Delivery of the two outcomes is supported by **WCC making the best use of its resources.**

The Council's plans to deliver those outcomes continues to be affected, to varying extents, by the Covid-19 Pandemic with changed demand on Services and changes to Service delivery. Progress to achieve these outcomes is assessed against 54 KBMs.

Outcome	No. of KBMs	No. of KBMs available for reporting at Quarter 3
Warwickshire's communities and individuals are supported to be safe, healthy and independent	27	25

Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure	13	8
WCC making the best use of its resources	14	13

2.2 Reporting against the following 3 KBMs remains paused due to national suspension of examination regimes and are not included in this report:

National Body	KBM
Dept of Education	% of children achieving GCSE level 4 in both English and Maths
	% of children achieving the KS2 expected standard for combined reading, writing and maths
	Progress 8 score

8 proxy measures have been introduced for educational attainment to provide oversight in this area and an Education progress update, including these measures, is being shared with Children & Young People Overview and Scrutiny Committee.

Reporting against 4 other KBMs had been suspended as inspection and reporting regimes were paused due to the Covid-19 Pandemic response. Information is now available for 2 of these KBMs but the remaining 2 remain paused as data restrictions still apply.

National Body	KBM
Dept of Health Care Services	% of Year 6 children (aged 10-11 years): prevalence of obesity (including severely obese)
Care Quality Commission	% of residential placements for adults in provision of Good or Outstanding quality as rated by Care Quality Commission

At Quarter 3, there are a further 3 KBMs which are unavailable for reporting as either data is awaited or they are annual measures and will be reported at year-end.

2.3 Overall, the Council continues to maintain its robust performance across the board in the face of increased and changing demand, due to the ongoing and varying degree of impact of the Covid-19 Pandemic resulting in significant changes in how services are delivered. Despite some restrictions being reintroduced, Council Services are continuing to provide support to communities most in need alongside their core work .

2.4 At Quarter 3, there are 46 KBMs available for reporting. Of these, 54% (25) are On Track and 46% (21) are Not on Track. This is a slight decline from Quarter 2 when 65% (28) of reportable measures were On Track and 35% (18) Not on Track. Table 1 below summarises KBM status at Quarter 3 by agreed Outcomes.

Outcome	Current Status	No. of measures
Warwickshire's communities and individuals are supported to be safe, healthy and independent	On Track	13
	Not on Track	12
	Not Applicable	2
Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure	On Track	4
	Not on Track	4
	Not Applicable	5
WCC making the best use of its resources	On Track	8
	Not on Track	5
	Not Applicable	1

Table 1

Within the Quarter, 4 KBMs have changed status from On Track to Not on Track;

- % of successful completions as a proportion of all in treatment (Opiates, Non Opiates, Alcohol and Alcohol & Non Opiates);
- % of children and young people seen within 18 weeks (Referral to Treatment Time) amalgamated across the three Clinical Commissioning Group (CCGs);
- No. of properties better protected from flooding; and,
- % General and Directorate Risk Reserves Compared to the Net Revenue Budget.

2.5 Of the 54% (25) KBMs which are On Track and achieving target there are several measures of note, including:

- No. of permanent admissions to residential or nursing care: under 65 which remains at consistently low levels and below agreed target;
- No. of permanent admissions to residential or nursing care: over 65 which remains at levels below agreed target despite a rise from 44 in November to 61 in December;
- No. of people in receipt of an Adult Social Care Service is consistently stable around 6,800;
- % of care leavers (Relevant and Former Relevant 16-21) who are not in education, employment and training (NEET) continues to decline from the start of the year at 41% to 27%, marginally above the target of 34%;
- No. of businesses supported to start and grow within Warwickshire through County Council activities where Quarter 3 performance is significantly ahead of the target (200) due to additional, time-limited economic recovery programmes being delivered;
- The 4 Education proxy measures for all pupils show that Warwickshire children are performing well, above national average and statistical neighbours, for achieving GCSE Grades 4 and 5 for English and Maths, Attainment 8 Progress and the English Baccalaureate Average Point Score.
- % customer satisfaction level with Customer Service Centre remains high, with a year high of 92% in December, and over target despite a sustained and material increase in changing demand;
- No. of WCC social media followers which is continuing to grow at a steady pace and currently stands at 383,767, and as a result of this excellent progress this year's target has now been increased; and
- % Employee Engagement Score from the Winter Check In Survey, has fallen slightly, but remains high at 74%.

The following KBMs continue to sustain their long trend of good performance and have been consistently reported as On Track:

- No. of children open to an Early Help Pathway: continues to have a positive direction of travel and is significantly above last year's levels and the set target; and
- Rate of total recorded crime per 1,000 population: despite a slight increase over the previous months, rates remain below last year and the target for 21/22.

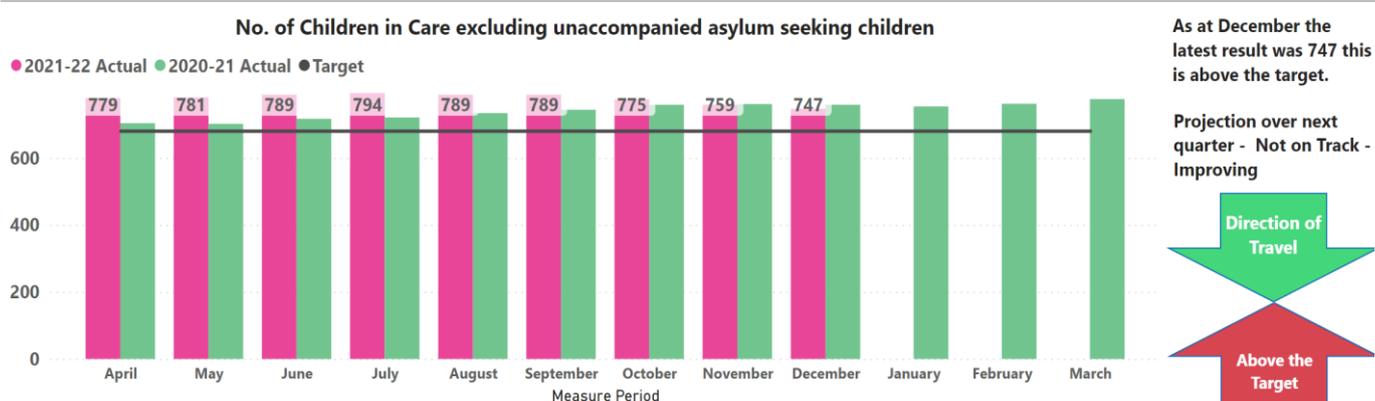
1 KBM is reported as being On Track but projected to decline over the next reporting period:

- No. of providers that exit the care home, domiciliary care or Supported Living markets, in Warwickshire, through business failure – although currently On Track this measure is being flagged as a potential future improvement activity area as the social care provider market is currently very unstable. There are several providers experiencing sustainability challenges and it is increasingly likely that there may be one or more instances of business failure by the end of the financial year.

2.6 Of the 46% (21) KBMs that are Not on Track there are 8 measures which are subject to exception reporting. Table 2 provides detailed performance narrative, improvement activity and explanation of projected trajectory in relation to those measures.

Warwickshire's communities and individuals are supported to be safe, healthy and independent

No of Children in Care (CiC) excluding unaccompanied asylum-seeking children



Current performance narrative:

This month Warwickshire has seen a reduction of 15 in Children in Care numbers and 43 in the quarter. While figures remain above target for the year, the service believes there will be further falls in Children in Care numbers in January and February in line with the downward trajectory this quarter.

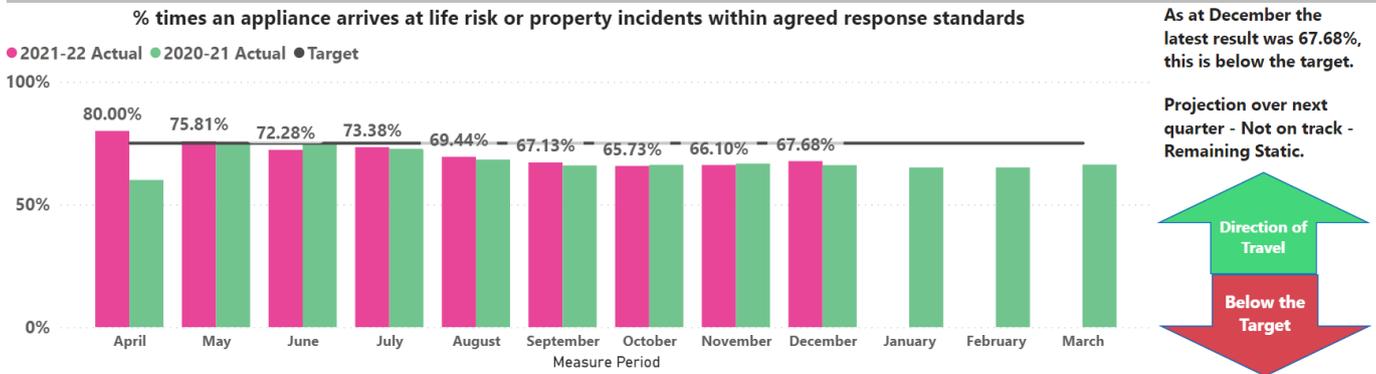
Improvement activity:

The Children's Transformation Programme's change projects have been implemented and appear to have slowed down the numbers of children entering care. The service continues to work closely with the local courts to bring down the backlog of work in court, which is speeding up discharges and the making of special guardianship orders, child arrangement orders and adoptions.

Explanation of the projected trajectory: Not on Track - Improving

There are a significant number of young people that will turn 18 between January and March 2022. Twelve young people are currently placed for adoption who should achieve permanence through adoption.

% times an appliance arrives at life risk or property incidents within agreed response standards



Current performance:

The April to December 2021 figure of 67.68% is a slight improvement on the year end 2020/21 figure of 66.05%.

The beginning of a return to normality post-Covid has brought an increase in operational activity but no reduction in staff absences due to positive Covid-19 tests or self-isolating. Increased social contact outside of the work environment has increased Covid-19 related absence. The resultant reductions in crewing levels have a direct impact on appliance availability and attendance times.

Improvement activity:

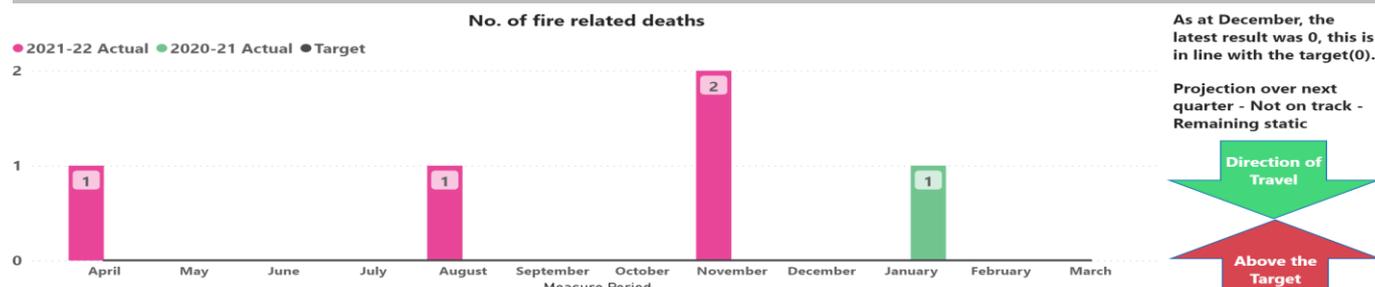
Covid-19 related safety precautions have been reinforced across all fire stations. The Service deploys staff flexibly across duty systems to provide optimum operational crewing at any given time. 20 new wholtime recruits joining the Service by end of February should improve the wholtime availability picture. Recruitment and retention of On-Call firefighters is an ongoing and increasingly difficult challenge, reflecting the national picture, and the Service now has a dedicated On-Call support officer looking at options to address this.

The Integrated Risk Management Plan Assurance Panel is reviewing the targets around response.

Explanation of the projected trajectory: Not on Track – Remaining Static

In the longer term the Service Asset Management Plan sets out the intention to relocate some whole-time response points onto transport nodes across the County with the intention of improving response to emergency incidents outside of the current predicted 10-minute travel time, particularly those on the motorway network.

No. of fire related deaths



Current Performance:

For the period 1st April to 31st December 2021 there have been 4 fire related deaths, compared to zero in the same period of 2020.

There were 3 suicides by self-immolation, one in April and 2 in November. In August there was a major non-domestic fire incident occurred at the Leasons premises (in Leamington Spa) and is currently under investigation.

Improvement Activity:

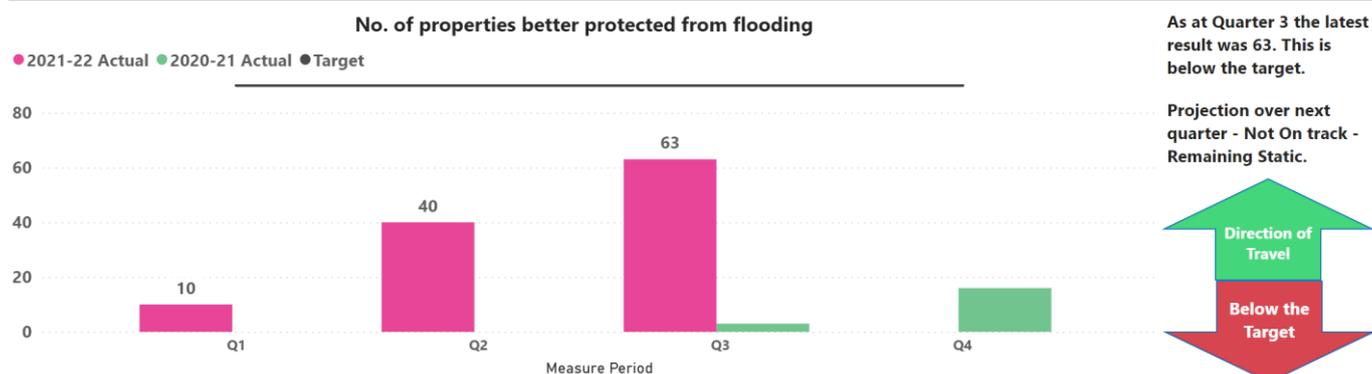
The Service investigates every fire related death very seriously in an effort to understand causes and identify any appropriate improvement activity. Where it is identified that an improved multi agency approach could have prevented the fatality a multi-agency serious case review is carried out. With a growing trend, albeit in small numbers, for suicide by self-immolation the Service has joined the multi-agency suicide prevention group to see if any prevention strategies can be deployed.

As a result of feedback and recommendation from Her Majesty's Inspectorate Constabularies and Fire and Rescue Services all fire related deaths are reported to the Fire Leadership Team and a new Serious Incident Review approach is being designed.

Explanation of the projection trajectory: Not on Track – Remaining Static

Detailed reports have previously been to the Overview & Scrutiny Committee, and Committee Members recognise that it is difficult to influence fire death outcomes as a result of suicide or crime. However, the Service will endeavour to identify and address all preventable causal factors to fire deaths.

No. of properties better protected from flooding



Current Performance:

Due to issues with Business Case approval, Listed Building Consents and resident engagement, delays to the Capital Programme have pushed back delivery of several schemes to 2022/23. Pailton and Bilton Road are expected to deliver a further 5 better protected properties and Phase 1 of Fillongley will also deliver 6 better protected properties this financial year.

Several of the schemes have increased the numbers of properties expected to be protected and will need to be included in the target for next financial year, such as Fenny Compton which has been approved for 52 properties up from 40; however, they will not be delivered until next financial year.

Covid-19 has had a negative effect on delivery in several different ways. The schemes the service deliver are property based, so difficulties have arisen from being able to survey and fit inside of properties whilst there have been restrictions. Additionally, the service have not been able to engage with communities as affectively as the service would have usually (in person) so this has delayed delivery. Manufacture of the products has been delayed due to manufacturers catching up for a period when workers were on furlough – lead in times remain high, and costs have increased (meaning additional exception reporting to the Environment Agency). On the subject of the Environment Agency, their approvals have been very slow which in turn has slowed down delivery.

- 2 businesses and 1 residential property were better protected through pre-enforcement action to cleanse a ditch course and crossing in Little Compton.
- 7 properties better protected following pre-enforcement action to cleanse watercourse in Broadwell. WCC Structures have also cleansed the upstream WCC culvert asset.
- 10 properties better protected through partnership working, to address defects within culverted watercourse that would affect conveyance. Defect relates to Bell Brook Bypass scheme and wider issues remain under investigation.
- 2 properties better protected though advising riparian landowners on ditch maintenance and through partnership working with highways to address highway crossing.
- 1 property plus highway better protected through partnership working with North Worcestershire Water Management to enforce the repair of a culverted watercourse.

Improvement Activity:

More upfront community engagement is required to ensure delays do not occur which push delivery into the next financial year for future schemes, this is especially necessary with Covid-19 making it more difficult to have face to face meetings. Long lead in times for manufacturing of products is also causing delays.

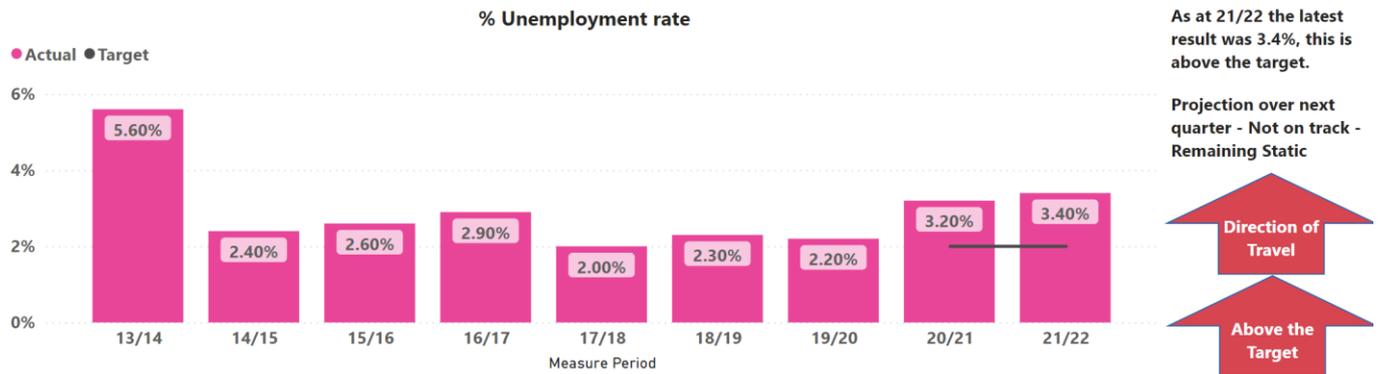
Explanation of the projection trajectory: Not on Track – Remaining Static

Currently projected to not hit target. The expected number of properties is 74, this is short of the target of 90 due to the reasons given above.

In regards to catching up with the properties that haven't been protected this year it is anticipated they will be delivered within the first half of next year.

Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure

% unemployment rate



Current performance:

The unemployment rate fell to 3.4% in Quarter 3 2021 from 4.4% in Quarter 2 2021 on trend with the rate for England which also fell to 5.0% in Quarter 2 2021 from 5.2. Performance compares favourably with other statistical neighbours: Coventry (5.3%), Leicestershire (5.9%), Worcestershire (2.8%), North Northamptonshire (4.1%) and West Northamptonshire (5.6%).

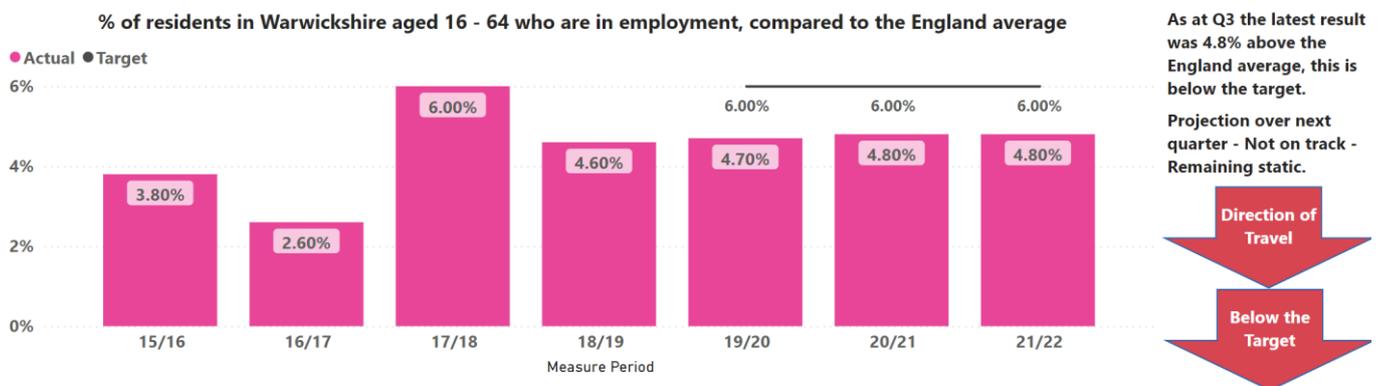
Improvement activity:

The fall in unemployment rate within Warwickshire in Quarter 3 2021 is in line with the national trend which also experienced a reduction. Despite the ending of the furlough scheme (September 2021) the true extent of the withdrawal of scheme will only be seen in Quarter 4 as the labour market adjusts and the data catches up. High vacancy numbers and increasing hiring from employers may also be a contributing factor to the reduced unemployment levels both within the county and nationally. The full impact of the ending of the furlough scheme will be seen in Quarter 4 2021.

Explanation of the projected trajectory: Not on Track – Remaining Static

This will be reviewed as data is available to assess the full impacts of Pandemic on the labour market but the latest figures from Quarter 3 2021 are above the target currently set for 2021/22.

% of residents in Warwickshire aged 16-64 who are in employment compared to the England average



Current performance:

Currently the percentage of residents in Warwickshire aged 16-64 who are in employment is 4.8% higher than the England average. Latest data for Quarter 3 shows 79.7% of those aged 16-64 are in employment in Warwickshire, a rise from 79.4% in Quarter 2 2021. England also experienced an incremental increase from 74.7% to 74.9% and the gap between England and Warwickshire's employment rate has increased slightly.

As mentioned in previous quarters, due to the makeup of the Warwickshire economy, forecasts predicted the county would be disproportionately affected, particularly for hospitality & tourism. Despite the ending of the furlough scheme (September 2021) the true extent of the withdrawal of the scheme will only be seen in Quarter 4 as the labour market adjusts and the data catches up.

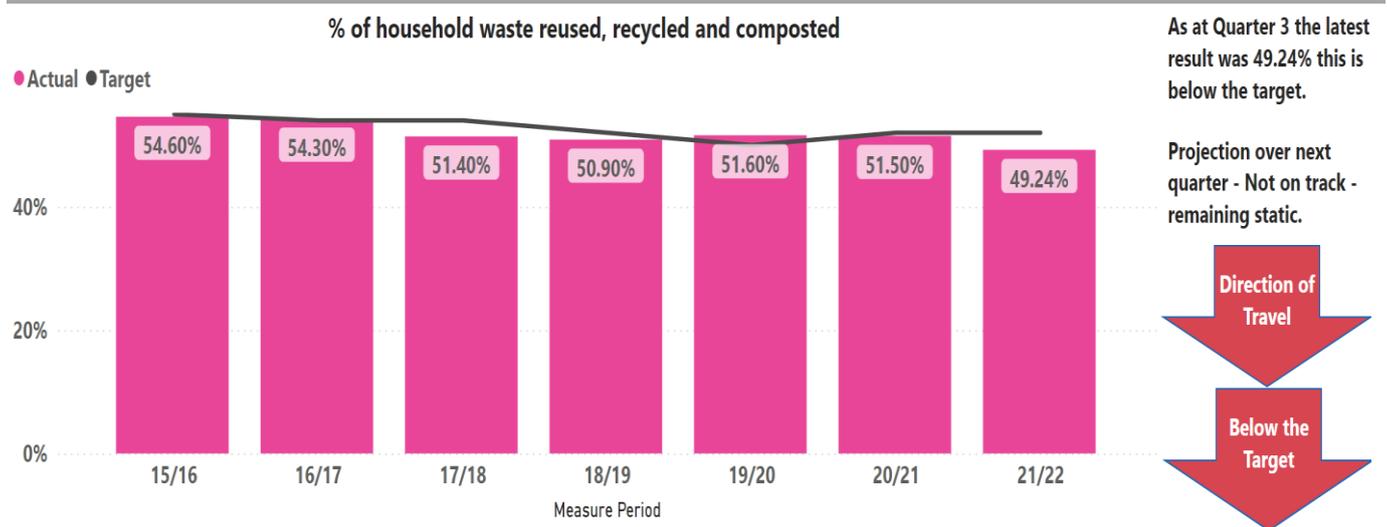
Improvement activity:

Strong demand for WCC's Business Skills Support Service continues as we support employers bringing employees back to work and onboard new ones. Job vacancies continued to rise alongside recruitment activities from businesses in Quarter 3 which could be a contributing factor to the rise in employment levels. It was also reported that there was a rise in part time work as Covid-19 restrictions eased. Despite the ending of the furlough scheme (September 2021) the true extent of the withdrawal of scheme will only be seen in Quarter 4 as the labour market adjusts and the data catches up.

Explanation of the projected trajectory: Not on Track – Remaining Static

Difficult to predict until the impacts of the Government's furlough scheme tail off and data lags catch up. It is more likely that this will be seen in Quarter 4 data.

% of household waste re-used, recycled and composted



Current performance narrative:

This forecast is based on figures April to September 2021. Performance is not fully within WCC's control as the districts are responsible for collection. A number of factors within the collection system have impacted countywide performance. Green Waste is expected to reduce this year due to charging introduced by North Warwickshire Borough and Stratford District Councils. Also, the

loss of the PURE recycling facility due to a fire had a negative impact on recycling in Stratford-on-Avon District. In addition, operational issues with driver shortages and Covid-19 have led to disruption in waste collection in several areas e.g., suspension of green/bio waste collections in 4 of the 5 district and boroughs. An increase in the amount of residual waste collected has also reduced our recycling performance.

Improvement activity:

Activity continues to promote waste reduction, reuse, recycling and composting. 8,798 subscribers received the December edition of the 'Warwickshire Recycles' e-newsletter. Slim Your Bin has recruited 1,253 'bin dieters' onto its 4-week training programme. The module called 'Slim Your Bin Kids', proved popular over the school holidays. YouTube Home Composting Workshop launched last year, this has been viewed 1700 times and feedback has been very positive. Subsidised cold/hot compost bins are available to purchase from the recycling centres and online. Sales of composting equipment last financial year were double what they had been for the previous financial year. The countywide food waste recycling behaviour change campaign – In to Win, continues across the County with 5,811 households are now signed up.

Stratford District Council (SDC) and Warwick District Council (WDC) are completely changing their collection systems from August 2022. Food waste will be collected separately weekly and general waste will be collected every three weeks. This is expected to result in an increase in overall recycling rate and a reduction in waste sent to landfill / incineration. The service is working with WDC / SDC on finalising a treatment specification for food waste which will be out to tender soon.

In WDC from August, recycling could be further increased as they change from a box / bag recycling collection method to a wheeled bin for all dry recycling. However, WDC will decide on 23rd Feb about charging for green garden waste, which if introduced from April 2022, would reduce the overall recycling rate. WCC waste behaviour change officers are working with SDC and WDC to make sure that communications from all councils supports this transition. In the past few weeks, the service have been supporting Nuneaton & Bedworth Borough Council (NBBC) as some of their recycling collections have been affected by the Coventry strikes (NBBC subcontract recycling collection to Coventry City Council).

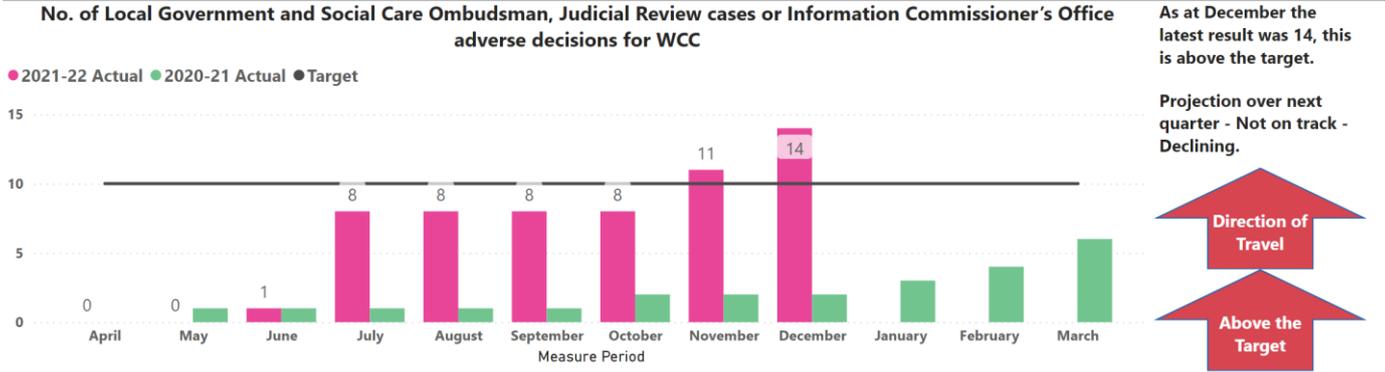
All of the districts and boroughs are partners in Sherbourne Recycling, the materials recovery facility which should be in operation next year. It is expected that this state-of-the-art recycling facility will be able to accept and extract more recyclable material, leading to an increased recycling rate. WCC will communicate about the use of the facility - good news for increased recycling, transparency of where recycling goes and reduced haulage. Updates are provided by North Warwickshire Borough Council to partners quarterly.

Explanation of the projected trajectory: Not on Track – Remaining Static

Forecast made using data April to September. The first two quarters generally have the most waste arising as usually there is less green waste over the winter period.

WCC Making Best Use of its Resources

No. of Local Government and Social Care Ombudsman, Judicial Review cases or Information Commissioner's Office adverse decisions for WCC



Current Performance:

After 3 quarters there have been 14 adverse decisions against the Council - 11 upheld Local Government and Social Care Ombudsman (LGSCO) decisions and 3 upheld Information Commissioner's Office (ICO) decisions. The target has therefore been exceeded. The impact of Covid-19 both in the context of the Council's ability to respond to complaints and the Ombudsman pausing investigations of complaints has had some impact on the increase in the number of adverse decisions the organisation is seeing this year.

Of the 11 LGSCO upheld decisions 5 relate to Adult Social Care 3 relate to Education Services and 3 relate to Children & Families. One of the upheld ICO complaint relates to Fire & Rescue and related to a request for information about incident details attended by Fire & Rescue and the Council's initial decision to refuse disclosure. The other 2 upheld ICO complaints were both from the same complainant and were in relation to information requested about village greens. Both complaints were only partly upheld, one because WCC did not respond to the requests for information on time and the other because the ICO found that WCC failed to provide appropriate advice and assistance to the complainant.

Improvement activity:

The trajectory for this measure has been significantly impacted by Covid-19, over this year and last. As a result, until the 'hump' of cases has come through the system, it is difficult to improve on the current position as decisions that are likely to be upheld by either the LGSCO or the ICO in the next quarter are already being investigated. However, lessons learned from all upheld complaints are always considered and shared with relevant officers. In addition, provision has been made in the MTFs for additional funding to support services to improve the complaints process. This should have a positive impact in terms of our complaints handling overall and in particular, the cases progressing to the LGSCO.

Explanation of the projection trajectory: Not on Track - Declining

There are currently a further 11 complaints of which the Council is aware, being investigated by the LGSCO - 3 of these have a draft upheld decision (they relate to Adult Social Care, Education Services and Children & Families). There is also 1 complaint about WCC currently being investigated by the ICO. 4 threats of Judicial Review have also been received although these all appear to be at the pre-action stage and therefore it is unlikely that there will be any final determinations this financial year. Therefore, this measure is projected to decline further over the next reporting period.

Table 2

2.7 Of the remaining 13 KBMs that are Not on Track, forecast performance is projected to improve for 1 KBM:

- % General and Directorate Risk Reserves Compared to the Net Revenue Budget.

The other 10 KBMs will remain Not on Track but static:

- % biodiversity net gain in Warwickshire;
- No. of people with a learning disability or autism in an inpatient unit commissioned by the Clinical Commissioning Groups (CCG);
- No. of People assisted to live independently through provision of Social Care equipment;
- % of successful completions as a proportion of all in treatment (Opiates, Non Opiates, Alcohol and Alcohol & Non Opiates);
- % of Children receiving a 6-8 week health check (C8i) ;
- % of children and young people seen within 18 weeks (Referral to Treatment Time) amalgamated across the three Clinical Commissioning Group (CCGs);
- % of Women who smoke at the time of delivery across Warwickshire;
- % biodiversity net gain in Warwickshire;
- No. of fire related injuries
- % Variation of Revenue Savings Achieved Against Agreed MTFs (Whole Council) - activity will be focused on sustaining the level of savings still being forecast as a minimum and ensuring services maintain off-setting savings to keep hitting their overall budget position.

1 KBM is Not on Track and set to decline further;

- % of capital expenditure against budget.

1 further KBM does not have a forward projection as it is an annual measure;

- % Employee Engagement Score.

Table 3 illustrates the forecast performance projection over the forthcoming reporting period for the 54 KBMs.

	On Track			Not on Track			Not Applicable
	Improving	Remaining Static	Declining	Improving	Remaining Static	Declining	
Warwickshire’s communities and individuals are supported to be safe, healthy and independent	2	11	0	1	10	0	3
Warwickshire’s economy is vibrant and supported by the right jobs, training, skills and infrastructure	1	3	0	0	4	0	5
WCC making the best use of its resources	1	4	1	1	1	2	4

Table 3

- 2.8 The Pandemic continues to impact on a proportion of these measures leading to delays in programmes of activity and both additional and frequently changing service demands. Improvement activity is in place to improve performance across all measures, and this is under constant review to ensure it is robust. Full context on all measures is provided in the [Power BI report](#).
- 2.9 The Council is developing a new performance management framework alongside the Council Plan refresh, which aims to provide a sharpened focus on performance and trajectory and will better support delivery of the Organisation's new priorities as outlined in the refreshed Council Plan. A Members Working Group (MWG) has been supporting the development of the new Framework and Cabinet will receive a full report, including the recommendations from the MWG and the full proposed Performance Management Framework, in March.

3. Management of HR

3.1 A summary of the position on Human Resources (HR) management, is shown below:

- **Sickness Absence:** Quarter 3 has seen a modest increase in days of sickness absence per Full Time Equivalent (FTE) with the rolling 12-month average rising from 8.05 days to 8.50 days. The target is 8 days/FTE with a tolerance of +/- 1 day given that 2020/21 was an unprecedented year. Managing attendance remains a significant focus area where HR Advisory are working with managers on priority cases: long term sick, stress and mental health and individuals reaching trigger points within the policy. Proactive work on wellbeing continues and external "Thrive" bronze accreditation through West Midlands Combined Authority was achieved in 2021. 'Our Wellbeing Approach' is now being finalised for launch in Quarter 4. A winter flu vaccination programme has enabled colleagues not eligible for NHS vaccinations to be vaccinated either at a Warwickshire County Council setting or through community pharmacies. Higher levels of absence attributed to Covid-19 and seasonal illnesses are anticipated through the second half of 2021/22. Covid-19 is now the 4th highest cause of absence at 9.4% of days lost and an average of 0.8 days per FTE. Measures are in place, including the return to home working for all colleagues able to do so, flu and Covid-19 vaccination programmes, agile working colleague engagement and a continued focus on activities to build a sustainable and resilient workforce.
- **Headcount:** Headcount has increased by 71 heads and 59 FTE's over the last quarter. The largest increase in Headcount over Quarter 3 comes from People Directorate with an increase of 75 heads overall. Within People Directorate, Children & Families has the largest service increase (67 heads) with a team transfer from Communities Directorate contributing significantly. Resources Directorate has increased by 37 heads overall with the Business Support Service increasing by 25 heads with the filling of vacant posts. Communities Directorate has decreased by 56 heads overall including restructures and transfers of colleagues to People Directorate.
- **Age profile:** The age profile remains largely stable with the average joiner being some eight and a half years younger than the average leaver.
- **Staff turnover:** Turnover (at 11.5% for the rolling 12 months to Quarter 3) is showing an increase of around 1% from the previous quarter. Around sixty percent of leavers are due to voluntary resignations which is largely typical of environments not undergoing significant organisational change. The national pay dispute remains a watch area, coupled with increases in the national minimum wage from April 2022. A wider range of employment choices may become available putting pressure on the ability to

attract and retain colleagues in lower paid occupational groups. Measures include a continued focus on colleague engagement, communication, well-being and employer value proposition. Extension of the pilot approach to peer-to-peer recognition, an in-person STAR awards event and long service awards.

- This HR headline figures are available in Appendix A.

4. Management of Risk

4.1 Strategic risks were reviewed and updated by Corporate Board in January 2022 and are reported at Appendix B, along with mitigation strategies, ownership, and an indication of the direction of travel for each risk, based on movements in risk scores. Risks added to the strategic risk register in Quarter 3 are:

- Risks and opportunities associated with delivering against the Net Zero Carbon Emissions target for the County by 2050 (Risk 17); and
- The risk of sustained inflationary pressures and cost of living increases with resulting internal pressures on staff costs and service resilience, as well as social, health and economic impacts for our communities and businesses (Risk 18).

4.2 Strategic areas of risk that are assessed as high (red rating) or with increasing levels of residual risk due to a challenging external environment include:

- The risk that inequalities, which were compounded by the Pandemic across a range of social, economic, education and well-being indicators, are sustained with cost-of-living increases, despite targeted catch up activity in schools, social care, community health & well-being and support for businesses.
- The risk of ongoing pressure on Special Education Needs & Disabilities (SEND) resources and targeted services to support the increasing population of students with Education Health Care Plans continues to present service delivery and financial challenges. These are being addressed through the SEND programme and Medium term Financial Strategy, including actions to address areas of weakness identified in Ofsted's SEND Local Area Inspection.
- Commissioned social care services continue to face increasing levels of disruption and demand pressures driven by health service backlogs, care staff shortages and price and wage inflation.
- The risk of continuing areas of uncertainty in national policy, funding assumptions and evidence of volatility in external economic factors. We are experiencing and predicting further inflationary pressures, supply chain disruption and labour shortages, which impact directly on the Council's ability to forecast outcomes and act to sustain core services over the longer term.

4.3 The use of Directorate Risk Profiles from this quarter will allow oversight of operational risks by Directorate Leadership Teams. This will support the mitigation of risks in line with risk appetite and where required, enable the process of escalation and de-escalation of risks through Corporate Board, Directorate Leadership Teams, service areas and Delivery Groups.

4.4 Service risk registers, recording operational risks, are reviewed and updated at least quarterly by Assistant Directors and service risk owners, with total net red risks reducing slightly from 9 in Quarter 2 to 8 in Quarter 3. During Quarter 3, operational risks associated with delivering the roads Winter Maintenance Programme were mitigated and the impact of

demand pressures for Children and Families core service are now being managed within tolerable levels. WFRS highest rated risks reflect the focus on Fire Protection and On call Availability improvement areas following the Her Majesty’s Inspectorate of Constabularies Fire & Rescue Services inspection report.

- 4.5 As part of an integrated approach to refreshing the Council Plan and Medium Term Financial Strategy, strategic risk appetite levels were tested with Assistant Directors and found to be at similar levels to a year ago. A full refresh of risk appetite will be completed early in 2022-23 against the Council’s new Council Plan priorities and areas of focus.

5. Financial Implications

- 5.1 None specific to this report but please refer to the associated finance performance report, which is reported to Cabinet at this same meeting.

6. Environmental Implications

- 6.1 None specific to this report.

Background Papers

None

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