Cabinet

8th September 2022

Council Plan 2022-2027
Integrated Performance Report Quarter 1 2022/23

Period under review: April to June 2022

Recommendation

That Cabinet considers and comments on Quarter 1 organisational performance and progress against the Integrated Delivery Plan.

1. Executive Summary

1.1 This report summarises the Council's performance at the end of the first quarter (April-June 2022) against the strategic priorities and Areas of Focus set out in the Council Plan 2022-2027. Performance is assessed against the Key Business Measures (KBMs) contained within the agreed Performance Management Framework.

1.2 Progress against the Integrated Delivery Plan is summarised in Section 3 and more fully presented within Appendix 2.

1.3 Management of Human Resources is summarised in Section 4 and the summary dashboard is presented in Appendix 3.

1.4 Management of Risk is summarised in Section 5 and more detailed information is presented in Appendix 4.

1.5 The paper sets out, for the first time, a combined picture of the Council's delivery, performance, and risk. Officers are still embedding this new approach and performance framework, and a number of new measures will not be available until Year End. The format and content of these integrated performance reports will continue to evolve over the course of the current financial year.

1.6 The Council's overall performance remains strong, despite a volatile, uncertain, and high-risk external environment, with 70% (35) of KBMs, available for reporting at Quarter 1, being assessed as being On Track with performance at an expected level, and 30% (15) being Not on Track. Appendix 1 details performance for all measures within the Performance Management Framework. Detailed measure-by-measure performance reporting is accessible through the 2022/23 Performance Report available at this link.

1.7 Notable aspects of positive performance for specific measures include:

- the percentage of care leavers not in education, employment and training;
- the Dedicated Schools Grant High Needs Block overspend which is lower than budgeted as a result of early impact of the SEND and Inclusion Change Programme; and,
- continuing strong customer satisfaction levels for the Customer Service Centre.

In addition, performance is notable in some broader areas such as:

- a number of measures relating to our people and how we work which are performing strongly, not least those relating to the recent staff engagement survey; and,
- largely positive performance against the 'support people to live healthy, happy and independent lives' area of focus.

1.8 The main performance challenges relate to:

- the numbers of children under Child Protection Plans, No. of children in care excluding unaccompanied asylum seeking children and No. of children with an open Child in Need category including Child Protection Plans and Children in Care;
- fire response times within agreed standards, and No. of Fire related deaths exceeding our target of zero;
- the percentage of children with Education, Health and Care Plans in mainstream schools which, while improving, remains below national averages and expectations as set out in the recent local area inspection report; and,
- the percentage of schools with a deficit budget remains above the target of zero, which is likely to decline as a result of inflationary pressures impacting school budgets.

1.9 The report sets expected trajectories for performance, which it is important to recognise are considerably more volatile than usual as a result of external factors.

1.10 The position is also positive in terms of delivery of the 224 actions set out in the Integrated Delivery Plan, with 83% being On Track and 3% Complete. Nine per cent of actions are At Risk and 5% Not Started, and it is these actions which are reported on in Appendix 2 on an exception basis.

1.11 A number of actions that are at risk relate to capital programmes and projects, where current inflation levels and supply chain challenges are creating very significant levels of risk and uncertainty about our capacity to deliver as planned within available resources, a challenge common to all Councils.

1.12 Other important points to flag in terms of delivery are:

- the Solar Together programme has been compromised by a sub-contractor failure to deliver and, following significant work by officers and iChoosr, our delivery partner; an alternative supplier is now mobilising to complete the programme;
- risks associated with domiciliary care delivery arising from workforce capacity pressures; and
- the timescale to complete our programme of technology upgrades for Warwickshire Fire and Rescue Service is at risk; contracting is underway, and the preferred supplier should be in place by November, enabling delivery to conclude in Quarter 1 2023/24.

1.13 5 of the Council's 18 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; Warwickshire's economy; and Council funding, levels of demand for services and consequentially the Council's capacity to deliver all of its priorities. At the same time, despite very positive staff engagement and well-being metrics, increasing staff turnover relating to cost-of-living pressures, makes implementation of the Our People Strategy critical to delivery in such a challenging environment.

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 and three areas we want the Council to be known for as 'a Great Council and Partner'. The full performance summary is contained in Appendix 1.

2.2 A set of high-level Warwickshire Outcome Measures, where we can influence improvement in performance but do not solely own, are also contained in the Performance Management Framework. Reporting against these is under development and will inform our ongoing State of Warwickshire reporting.

2.3 Comprehensive performance reporting is enabled through the Power BI link 2022/23 Performance Report as part of the revised and adopted Performance Management Framework.

2.4 The new approach to performance reporting is evolving, building on the recommendations of the Member Working Group. The number of reportable measures will change each quarter as the framework considers the availability of new data.

2.5 This is the first quarter to benefit from a new automated process, delivered through PowerApps, to collect performance against the KBMs/KBIs. As the approach to integrated reporting continues to develop, automation will be applied more widely to collect other performance data such as the Integrated Delivery Plan.

2.6 Of the 50 KBMs which are being reported at Quarter 1, 35 (70%) are On Track and 15 (30%) Not on Track. There are two other measures being reported but have a status of Not Applicable at this time due to performance still being assessed as they are new measures.

2.7 48 measures have a forecast projection from the responsible service for the forthcoming period. Of the 35 measures that are forecast to be On Track at Quarter 2, 13 are forecast to improve, 18 to remain static and 4 to decline over the next quarter. Of those 13 that are forecast to be Not on Track, 7 are forecast to improve and 6 to remain static at the next reporting period, with none forecast to decline.

3. Performance against the Integrated Delivery Plan

3.1 The Integrated Delivery Plan aligns priority activity from across all service areas to the seven 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.

3.3 There are 224 actions within the Integrated Delivery Plan. At Quarter 1 83% are On Track and 3% Complete, 9% are At Risk and 5% Not Started, and it is these actions which are reported on in Appendix 2 on an exception basis.

3.4 Reporting on the Integrated Delivery Plan is not yet automated; Quarter 1 progress has been collated manually and therefore there is no Power BI dashboard for reporting. As outlined in the report to Cabinet in May, where the Integrated Delivery Plan was approved, this is a work in progress with colleagues in the Commissioning Support Unit and ICT enabling this.

4. Management of Human Resources (HR)

4.1 The HR performance reporting dashboard is included at Appendix 3.

4.2 Sickness Absence:

- Through Quarter 1 there was a moderate increase which ended with an annualised sickness absence rate of 8.81 days per FTE colleague, compared to 8.61 days at the end of 2021/2022. Whilst overall there was an increase across the quarter, there was a reduction in June 2022, which is encouraging and means the Council remains on target to achieve 8 days/FTE with a tolerance of +/- 1 day.

- Levels of absence attributed to Covid-19 continue to increase, with Covid-19 now being the second highest cause of absence at 15.1% of days lost and an average of 1.32 days per FTE.

- In terms of wellbeing, the latest Your Say survey has provided a baseline of 77% agreement for the new wellbeing score which is encouraging and reflects the positive impact that our continued focus on wellbeing is having. This is a new measure, which brings together the average score of the following three new questions:
  - I am able to prioritise my wellbeing;
  - I know where to access support for my wellbeing; and
  - I believe my manager cares about my wellbeing.

- The Our People Strategy, Annual Review on Leading Organisational Wellbeing has been drafted and will be presented to Staff and Pensions Committee in September. The review focuses on achievements over the last 12 months against the agreed priorities, looks at our performance measures and other data metrics and prioritises actions for 2022/2023.

- A proposal for the winter flu vaccination programme for 2022 has been agreed and a partner is being procured to deliver the offer of vaccinations in a Council setting though the Autumn.

- The key focus areas going forward will include the development of a wellbeing delivery plan, launching the attendance data dashboard for managers, reviewing the success of the Approach to Wellbeing as well as targeted support to services with high or increasing absence.

4.3 Headcount and FTE:

- The headcount remains static at 4,894 with an overall reduction of 3.1 FTE between Quarter 4 2021/22 and Quarter 1 2022/23.

- People Directorate headcount has increased from 1,695 to 1699. Communities Directorate increased headcount by 18 from 1480 to 1498 while Resources Directorate reduced by 28 from 1720 to 1692.

- Education Services moved from Communities to People Directorate from 1 July 2022, and therefore at the end of Quarter 2 there will be significant changes in headcount in these two Directorates.

4.4 Age profile:

- The age profile of the organisation remains static, with over half of the workforce, 55.1%, being aged between 25 and 50, increasing from 54.7% during the previous quarter.

4.5 Ethnicity:

- The ethnicity profile of the organisation remains static with 73% of the workforce being white British which is a slight reduction from 73.3% at Year End.

4.6 Staff turnover:

- Turnover, at 14% for the rolling 12 months, is showing an increase of around one percentage point from the previous quarter, which is not unexpected given the national labour market position, the cost of living increases and the associated challenges for public sector pay, recruitment and retention.

- Just over sixty percent of leavers are due to voluntary resignations which is largely typical of environments not undergoing significant organisational change.

- Given the anticipated increasing retention challenges, priority has been given to reviewing our approach to reward and recognition. This will include focusing on attracting and retaining staff, maximising our use of apprenticeships, and identifying opportunities for career development and progression. Our activity will also include a continued focus on colleague engagement, communication, well-being, our offer to staff (employer value proposition) and further roll out of the High-five peer-to-peer recognition application.

- Aligned to this, consideration is also being given to the longer-term workforce strategy as there is a return to a new normal following the Pandemic, with a focus on future ways of working to support the delivery of the Council Plan and the Medium-Term Financial Strategy.

5. Management of Risk

5.1 The strategic risk register reflects an increase in the assessed risk of adverse issues arising due to the effects of a deteriorating economic position and increases in inflation and the cost of living. Risks relating to social care reform and levelling up have been identified. At Quarter 1, the following 5 of our 18 strategic risks have a red status after allowing for mitigating actions:

- economic growth slows or stalls;
- widening inequalities post pandemic;
- SEND resources are insufficient to meet demand;
- inflation and the rising cost of living; and,
- 2050 County net zero targets not met.

5.2 Risk registers are also maintained at service (Assistant Director) level, with 82 risks being monitored across 13 services. Key service risk issues are

highlighted in two ways:

- by a red/amber/green rating signifying low through to high risk: at Quarter 1, 9 risks out of 82 are classified as net red risks after mitigating actions; and

- by comparing the actual assessed risk with a target level of risk: at Quarter 1, 12 risks are currently exceeding the target by a score of more than 3 (out of 30); this is a new way of looking at risk and over the next year services will develop and refine their use of such targets.

5.3 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 in order 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.

5.4 A summary performance reporting dashboard for risk is included at Appendix 4 showing:

- Appendix 4a – a summary of the strategic risk register analysed by risk likelihood and risk impact; and

- Appendix 4b – a summary of service risks highlighting red risks and risks consistently above target for 3 quarters or more (and still scoring more than 3 points higher than the target risk).

5.5 All identified risks have an assessment of mitigating actions that is reviewed and updated periodically by relevant managers.

6. Financial Implications

6.1 There are none specific to this report, but Cabinet is referred to the associated finance performance report, which is reported to Cabinet at this same meeting.

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

Cabinet Report 10th March 2022 – Performance Management and Business Planning Framework.

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The report was circulated to the following Members prior to publication:
Local Member(s): None
Other Members: None