

Cabinet

16th February 2023

Council Plan 2022-2027 Integrated Performance Report Quarter 3 2022/23

Period under review: April to December 2022

Recommendations

That Cabinet considers and comments on the Quarter 3 organisational performance, progress against the Integrated Delivery Plan, management of Human Resources and Risk.

1 Executive Summary

- 1.1 This report is a retrospective summary of the Council's performance at the end of the third quarter (April - December 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 a combined picture of the Council's delivery, performance, HR, and risk. Officers continue to embed the new approach and performance framework, and a number of new measures will not be available for reporting until Year End. The format and content of these integrated performance reports continues to evolve within the current financial year. Both the Performance Management Framework and the Integrated Delivery Plan are under review in preparation for the 2023/24 reporting to begin.
- 1.6 Quarter 3 has seen an improvement in performance compared with the Quarter 2 position and is now closer to the Quarter 1 position, although assessed against significantly more reported KBMs. The encouraging position is in spite of the volatile, uncertain, and high-risk external environment which is impacting on resources and the wider economic environment, capacity, and uncertainty about a number of key policy areas.

- 1.7 Of the 63 KBMs available for reporting this quarter the following table indicates an assessment of performance, compared to previous quarters, for 62 of the reportable KBMs.

Quarter	On Track	Not on Track
1	70% (35)	30% (15)
2	63% (34)	37% (20)
3	69% (43)	31% (19)

- 1.8 Appendix 1 details performance for all measures within the Performance Management Framework. Detailed measure-by-measure performance reporting is accessible through the Performance Portal available via [this link](#).
- 1.9 There are some key emerging themes highlighted by this report, including:
- Increasing demand being reported in services, specifically in the People Directorate and Business & Customer Services, such as Brokerage, Family Support Workers, the Local Welfare Scheme and as a result the Customer Service Centre; and
 - Capacity and workload issues are impacting delivery across the organisation. Through the YourSay survey and Big Conversations, workload has been highlighted by colleagues and forms a priority in terms of actions. Difficulties in recruiting and retaining staff in a highly constrained national and local labour market are reflected within the commentary on the Integrated Delivery Plan and performance and in paragraph 4.6 of the Management of Human Resources section in this report. Given the significant and growing financial/ inflationary pressures, there is no easy solution to these strategic workforce issues, which are being actively considered by the HR Strategy team.
- 1.10 Notable aspects of positive performance for specific measures include:
- % of applications made to the Warwickshire Local Welfare Scheme which are supported; currently achieving 99%, despite increased demand;
 - Number of children subject to a Child Protection Plan, which has seen figures continues to reduce this Quarter, following consistently high and above target numbers since November 2021;
 - % of care leavers (Relevant and Former Relevant 16-21) who are not in education, employment and training (NEET), which has remained at or below the target figure despite current economic pressures;
 - the % of people with Special Educational Needs and Disabilities supported by Warwickshire Employment Support Team moving into employment;
 - % of 16-17 years olds participating in education and training, which is showing strong performance in Warwickshire when compared to figures for England, the West Midlands and statistical neighbours; and
 - a number of education measures with large proportions of the youngest children accessing their early years entitlement and a high proportion of early years settings and maintained primary schools being judged Good or Outstanding.

- 1.11 The main performance challenges relate to:
- 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, which are both demonstrating lower levels than expected due to a new system being introduced last year. It remains an area of focus for improvement activity and encouragingly performance has improved month to month, with December achieving levels of 82% and 92% respectively;
 - the number of Domestic Abuse Incidents reported to the Police which is behind prior year and considerably below target;
 - % times a first appliance arrives at life risk or property incidents within agreed response standards as the target has not been achieved for a considerable time;
 - the number of properties better protected from flooding, which is significantly under target, with only 3 properties taking up the scheme to date; and
 - Dedicated Schools Grant High Needs % overspend compared to DSG recovery plan as performance is significantly above target, mainly due to the increased growth in Independent special school provision demand.

Overall performance is of concern in the 'Deliver major infrastructure, digital connectivity and improved transport options' Area of Focus. This performance projection is likely to remain in that position for Year End. The three main drivers for this are the delay in the procurement of the Joint Venture partner for the Warwickshire Property and Development Company; the stability of the UK economy impacting on investments and capital projects and slower than expected market appetite for large loans from the Warwickshire Recovery & Investment Fund.

- 1.12 The report sets out services' projected performance trajectory, which recognises a more volatile than usual environment as a result of external factors.
- 1.13 Implementation of the Integrated Delivery Plan (IDP) continues with Quarter 3 seeing a further 17 projects completed and work beginning on 4 that had not started in Quarter 2. In the context of the challenging external environment the overall delivery position remains strong, with 65% of actions On Track and a further 8% Complete, 23% are At Risk/Compromised and 4% Not Started, and it is these actions which are reported on an exception basis in Appendix 2.
- 1.14 Six 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 a more detailed service level 86 risks are currently being monitored, of which 19 are rated as a high residual risk.
- 1.15 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 turbulence, including industrial action across many sectors, the legacy impact of the pandemic, and the war in Ukraine. High inflation, rising interest rates and the resulting fiscal challenges are impacting the cost of living, increasing pressure on an already tight labour market, demand for public services and public finances.

- 1.16 Such an unprecedented combination of events at a global and national level leaves the country facing 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 uncertainty about a number of key national policy areas including Adult Social Care reform, devolution, levelling up, cost of living and climate change Net Zero ambitions.
- 1.17 Inevitably these factors, which were not anticipated at the time the Integrated Delivery Plan and the Performance Management Framework were developed, are impacting on our priorities, focus, capacity and project delivery timescales. The reporting of performance will track and highlight these impacts on delivery and performance, and inform the basis of prioritising activity and resource allocation as we undertake the refresh of the Integrated Delivery Plan.

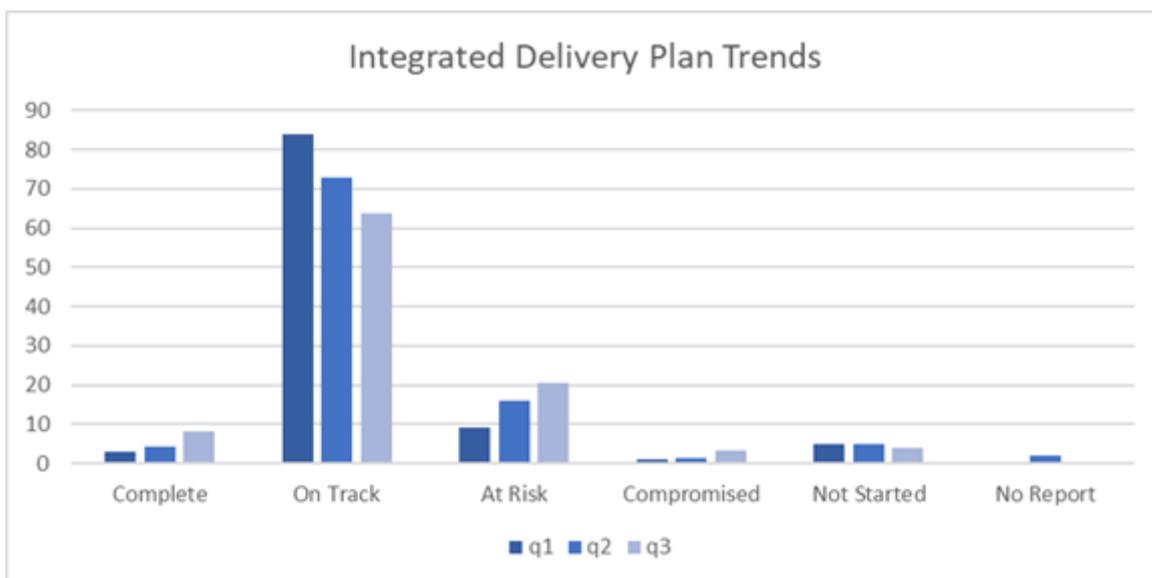
2. Performance against the Performance Management Framework

- 2.1 The three strategic priorities set out in the Council Plan 2022 - 2027 are delivered through seven Areas of Focus. In addition to these, there are three further areas to support 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, which the Council 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 which will include Levelling Up and the Cost of Living priorities and will be accessible by April 2023.
- 2.3 Comprehensive performance reporting is enabled through the Power BI link [Performance Portal](#) as part of the revised and adopted Performance Management Framework. Where applicable, some performance figures may now have been updated on the reporting system. For the latest situation, please refer to the Performance Portal.
- 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 Of the 63 KBMs available for reporting this quarter, 69% (43) are reported as being On Track and 31% (19) being reported as Not on Track. There is one other measure being reported but has a status of Not Applicable as no grant funding applications have been supported for Regeneration & Place Shaping initiatives as none have been received to date.
- 2.6 A total of 62 reporting measures have a forecast projection from the responsible service for the forthcoming period. Of the 43 measures that are forecast to be On Track at Quarter 3, 18 are forecast to improve, 23 to remain static and 2 to decline over the next quarter. Of those 19 that are forecast to be Not on Track, 8 are forecast to improve and 8 to remain static and 3 forecast to decline at the next reporting period. Overall, it is forecast that Year End position will be similar to Quarter 3, however, there are 15 additional measures scheduled for reporting at Year End.
- 2.7 As an agile approach is being taken to the new Performance Management Framework and the changes as agreed by Cabinet at Quarter 2 have been reflected at Quarter 3 which includes new measures to monitor the school admissions process. No further requests for changes in the Framework are sought at this time and work is underway through the Business Planning process to review the PMF ready for 2023/24 reporting.

3. Performance against the Integrated Delivery Plan

- 3.1 The 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 will enable Members to track progress by Service, status, Council Plan Area of Focus, Overview and Scrutiny Committee and Portfolio Holder.
- 3.3 There are 205 remaining actions within the Integrated Delivery Plan, with 21 having closed during the first half of the year. A further 17 have closed this quarter. At Quarter 3, 65% are On Track and 8% Complete, 23% are At Risk/Compromised and 4% Not Started, and it is these actions which are reported on in Appendix 2 on an exception basis.
- 3.4 This graphic shows emergent trends of activity status by Quarter.



3.5 The following table 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	9	4	0	1	14
Deliver major infrastructure, digital connectivity and improved transport options	1	4	10	0	1	16
Promote inclusive, sustainable economic growth, successful business, good quality jobs and future skills	1	19	9	0	1	30
Tackle climate change, promote biodiversity and deliver on our commitment to Net Zero	2	17	2	2	2	25
Deliver our Child Friendly Warwickshire strategy - Happy, healthy, safe children	8	13	6	2	1	30
Through education, improve life opportunities for children, young people and those with special educational needs and disabilities	3	21	2	1	0	27
Support people to live healthy, happy, and independent lives and work with partners to reduce health inequalities	1	24	5	0	0	30
Great Council and Partner - Harnessing Community Power	0	11	0	0	1	12
Great Council and Partner - Using our data and digital solutions to improve service delivery	0	8	4	2	1	15
Great Council and Partner - Our people and the way we work	1	5	0	0	0	6

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, a challenge common to all Councils. 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.

3.8 Important emerging points to flag in terms of delivery, the impacts of which will be followed up during Quarter 4, are:

- Lending under the Business Investment Growth (BIG) pillar of the Warwickshire Recovery and Investment Fund has slowed due in part to the general uncertainty in the economy. An external review of the BIG pillar is due in Quarter 4;
- Timescales for commissioning of a new programme to support Warwickshire businesses with the transition towards a net zero economy have slipped due to the delays in Government approving the local UK Shared Prosperity Fund investment plans and the implications of this for the review of business support in Warwickshire, which is now taking place in the final quarter of 2022/23;
- 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 Solar Power Purchasing Programme continues to be behind schedule however the expectation is that Phase 1 will complete by end of February 2023. Approximately 300 installations are expected from first phase, against a target of 439;
- The work to extend the pilot of the Warwickshire Family Safeguarding Service is subject to review due to financial pressures and awaiting the Department for Education response to the National Social Care review;
- Lack of foster carers has resulted in the work around equalities within the young offenders in care becoming compromised. A further recruitment campaign has been undertaken to address this;
- The government budget announcement in November 2022 had a significant impact on the Adult Social Care Reforms Programme, including pushing back Care Cap until 2025 and new funding arrangements for Fair Cost of Care; and
- Several activities in the IDP are being impacted by uncertainty around decisions from Central Government, including funding decisions relating to the UK Shared Prosperity Fund and National Health Service England. Pending decisions and missing guidance around the Adult Social Care Reforms and Liberty Protection Scheme are resulting in slippage of delivery.

4. Management of Human Resources (HR)

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

4.2 Sickness Absence:

- Through Quarter 3 the annualised sickness absence rate has continued to decrease from 8.61 days at the end of Quarter 2 to 8.5 days per Full Time Equivalent (FTE) colleague at the end of Quarter 3. It is encouraging that sickness absence has now started to reduce compared to the levels at the end of 2021/22. The Council remains on target to achieve 8 days/FTE with a tolerance of +/- 1 day.
- Levels of absence attributed to Covid-19 have stabilised for the first time since March 2020, with a small reduction from 1.66 days per FTE to 1.43 days per FTE Covid-19, however, this remains the second highest reason for absence at 16.8 % of all absence.

- The winter flu vaccination programme for 2022 for Council employees has concluded with over 700 colleagues being vaccinated in one of the Council bases.
- The key focus areas continue to 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 collating the evidence required to apply for the Silver Thrive at Work accreditation.

4.3 Headcount and FTE:

- The headcount increased by 40 from 4,942 in Quarter 2, to 4,982 in Quarter 3. The FTE also increased by 45 from 4,186 in Quarter 2 to 4,231 in Quarter 3. The increase is an ongoing trend, with a net increase in headcount across all the directorates since April 2022. This is as a result of increased recruitment activity and stabilising retention rates, resulting in more vacancies being filled.

4.4 Age profile:

- The age profile of the organisation remains relatively static, with over half of the workforce, 54.2%, being aged between 25 and 50, decreasing from 54.8% during the previous quarter.

4.5 Ethnicity:

- The ethnicity profile of the organisation remains relatively static with 72.4% of the workforce being white British which is again a slight reduction from 72.7% at the end of Quarter 2.

4.6 Staff turnover:

- Turnover, at 13.4% for the rolling 12 months, has shown another slight reduction from 13.7% in the last quarter and continues to stabilise. Whilst this is encouraging, this remains higher than before the Pandemic. It is anticipated that the recently settled Local Government Pay Award, may aid recruitment, particularly at the lower end of our pay bands, although many of our recruitment challenges remain and ongoing industrial disputes in a number of sectors may impact.
- 72% of leavers are due to voluntary resignations, although this is an increase from 67% in the previous quarter, it only relates to 1 additional resignation.
- The WCC approach to reward and recognition continues to be reviewed to ensure that the overall employment offer is competitive, and WCC is seen as an employer of choice, continuing to capitalise on the very positive results of the recent staff survey and Big Conversations.
- Following the Strategic Workforce Planning sessions which took place with Assistant Directors in the Autumn, a number of key themes have been identified for prioritisation within the Our People Strategy Year 3 plan.
- Recruitment and retention challenges exist across many of our services, particularly including children's social work, engineering, ICT, finance and business intelligence.

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. The following 6 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;
 - 2050 County net zero targets not met; and
 - Uncertainty of external influences, e.g. government policy
- 5.2 Risk registers are also maintained at service (Assistant Director) level, with 86 risks currently being monitored across 13 Services at Quarter 3. Key service risk issues are highlighted in two ways:
- by a red/amber/green rating signifying low through to high risk: at Quarter 3, 17 risks out of 86 are classified as net red risks after mitigating actions; and
 - by comparing the actual assessed risk with a target level of risk: at Quarter 3, 17 risks have been exceeding their target for 3 quarters or more and are currently exceeding the target by a score of more than 3.
- 5.3 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 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 was reported to Cabinet on 27th January 2023.

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

Role	Name	Contact Information
Report Author	Vanessa Belton, Delivery Lead Business Intelligence	vanessabelton@warwickshire.gov.uk
Assistant Director	Steve Smith, Commissioning Support Unit	stevesmithps@warwickshire.gov.uk
Strategic Director	Rob Powell, Strategic Director for Resources	robpowell@warwickshire.gov.uk
Portfolio Holder	Councillor Andy Jenns, Portfolio Holder Customer and Transformation	andyjenns@warwickshire.gov.uk

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

Local Member(s):

Other Members: