

Warwickshire County Council



STATEMENT OF ACCOUNTS 2023-2024



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Statement of Accounts

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Introduction

I am pleased to introduce our Statement of Accounts for 2023/24. The purpose of these accounts is to present a true and fair view of the financial results of our activities for the year and the value of our assets and liabilities at the end of the year.

This narrative report is set out in five parts. The first provides some key information on what the Council does, how it does it and its plans for the future. The second part provides further detail on how we plan to resource the Council's activities. This section also considers the factors in the external environment that influence our decisions and highlights some of the key risks that we have identified to the delivery of our priorities. The third part summarises our financial and other performance in 2023/24 and our effectiveness in the use of our resources, while the fourth part describes our outlook moving forward into the new financial year. It includes some of the key pressures facing the Council over the next few years and the changes taking place in the Council to respond to those challenges. Finally, this report explains how the Financial Accounts for 2023/24 are prepared and set out.

Globally and locally, we continue to experience significant financial uncertainty. Although

inflationary pressures started to ease, living costs have increased considerably due to a range of factors including the war in Ukraine, a shortage in the supply of labour, the medium-term global effects of Covid-19 on the flows of goods and services and the increased cost of energy, food, and fuel. This unprecedented combination has had a profound impact on residents, communities and businesses.

The Council has taken a key role in supporting communities, by offering a package of cost-of-living support, including support for food banks across the county, community pantries, over 100 Winter Warm Hubs as well as targeted support to residents through the Household Support Fund and providing investment and financing opportunities to businesses through the Warwickshire Investment Fund.

The Council continues to strive to deliver against the three strategic priorities set out in the Council Plan launched in 2022: to create a thriving economy with vibrant places; to enable people to live healthy and happy lives; and to create sustainable futures for our people, reflecting the importance of taking concerted action on climate change



Rob Powell
Executive Director for Resources

Organisational overview

We are in the third year of delivering our Council Plan which was approved in February 2022. The purpose of the Council Plan is to set out the top-level strategic direction of the Council and to articulate the Council's vision and ambition for Warwickshire. The Council Plan provides the necessary framework to deliver on our

ambitions, through change management and innovation, and ensures there is a clear line of sight on delivery of the Council's core purpose and outcomes. Our ambition remains to make Warwickshire the best it can be, sustainable now and for future generations.

Our ambition for Warwickshire

Three strategic priorities



We want Warwickshire to have a **thriving economy and places** that have the right jobs, skills, education, and infrastructure.



We want to be a County where all **people can live their best lives**; where communities and individuals are supported to live safely, healthily, happily and independently.



We want to be a **County with a sustainable future** which means adapting to and mitigating climate change and meeting net zero commitments, so that our generation ensures future generations can live well and reap the benefits of a sustainable and thriving Warwickshire.

Seven areas of focus



Create vibrant places with safe and inclusive communities



Deliver major infrastructure, digital connectivity and improved transport options



Promote inclusive, sustainable economic growth, successful business, good quality jobs and future skills



Tackle climate change, promote biodiversity and deliver on our commitment to Net Zero



Deliver our Child Friendly Warwickshire strategy - Happy, healthy, safe children



Through education, improve life opportunities for children, young people and those with special educational needs and disabilities



Support people to live healthy, happy, and independent lives and work with partners to reduce health inequalities

To make this happen, we will be a great Council and partner: One which harnesses community power, uses data and digital solutions to improve service efficiency and is a great organisation to work in with outstanding leadership and a talented agile workforce.

The approach to delivering against the Council Plan priorities is fully integrated - One Council, One Plan, One Budget. The Council Plan communicates our priorities over the period 2022-27. It seeks to provide a simple set of priorities within Council's complex operating environment, while ensuring sufficient flexibility to respond to rapidly changing, volatile and often ambiguous external conditions. Our Budget and Medium-Term Financial Strategy translate the direction set out in the Council Plan into a sustainable financial strategy. This helps us to plan ahead, so we are able to meet our spending requirements, taking into account Government grants, Business Rates and Council Tax income. The financial strategy helps us to ensure our financial resilience and medium-term financial sustainability, so we can continue to provide high quality services to our residents.

The Council Plan and Medium-Term Financial Strategy are supported by the Council Delivery Plan which sets out a defined programme of delivery against our strategic ambitions on a rolling two-year basis.

At the heart of these is our commitment to working with partners and communities to identify solutions to the challenges we face; to build on existing strengths and successes and to learn and improve from our experiences.

There are a number of key themes which underpin the Council Delivery Plan:

- joining up, connecting, and working as one Council to focus our collective efforts and maximise their impact for communities and residents;
- a sharp focus on prioritisation to balance rapidly increasing demand with available resource and funding;
- focusing change activities on invest-to-save projects that will release the resources needed to invest in the Council's ambitions, and focus services on the preventative

agenda to better meet need and further improve value for money;

- reflecting on and responding to the Council's key strategic risks:
 - slow economic growth and an increase in inequalities across communities;
 - a mismatch between demand and resources;
 - being unable to keep children and vulnerable adults safe;
 - a lack of movement towards Sustainable Futures;
 - the failure to meet operational requirements;
 - an insufficiently skilled and experienced workforce; and
 - a successful cyber-attack.

We use reserves to manage financial risk and promote financial sustainability. Any reserves not needed to manage financial risk are used for time-limited investment to support the delivery of the Council's ambitions, to deliver savings and to reduce demand in future years.

The Medium-Term Financial Strategy will require regular reviews in order to remain dynamic, robust, ambitious and deliverable, and will be updated annually.

Politically, Warwickshire County Council has 57 councillors, who are elected every four years. The last elections were held on 6 May 2021. The current political composition of the Council is 42 Conservative members, 6 Labour members, 5 Liberal Democrat members, 3 Green Party members and one Independent. The Council makes its decisions via a Cabinet of ten members, including the Leader of the Council, Cllr Izzi Seccombe OBE. Warwickshire's Councillors are responsible for setting and overseeing the strategic direction of the Council and its budget, and for scrutinising performance. Further details of the governance arrangements in the Council are

included in the Annual Governance Statement, included within this document.

Organisationally, in 2023/24 Warwickshire implemented a new structure, transitioning from three to four Directorates: Communities (including Fire and Rescue), Children & Young People, Social Care & Health and Resources. Each Directorate is headed by an Executive Director who sits on the Council’s Corporate Board along with the Chief Executive. Services within each Directorate have plans in place which correspond to the budget set for them by Council and the key outcomes within the Council Plan. Each service has Key Business Measures which are monitored and included in quarterly performance reports to Directorate Leadership Teams and Members.

At the end of the year we had the equivalent of 4,418 full-time employees and just over a third of our spending each year is on staffing. This is an increase of 171 full-time employees from last year, which is a mix of positive recruitment and retention reducing the number of vacancies, some planned organisational changes and additional temporary staffing linked to one-off funding. Warwickshire’s employees are responsible for translating Councillors’ strategic decisions into actions. Our People Strategy sets out the key principles to

ensure we have a workforce that is fit for purpose to deliver the Council Plan.

The Council collaborates with a number of external partner organisations to plan and deliver its intended outcomes. These include neighbouring councils including Coventry City Council, Solihull Metropolitan Borough Council, and the five Warwickshire District and Borough Councils, and we are a non-constituent member of the West Midlands Combined Authority. We work closely with local NHS organisations, particularly through the Health and Wellbeing Board and the Coventry and Warwickshire Integrated Care Board. We also work with a number of other bodies, including:

- Central Government departments;
- National and local voluntary and community sector organisations, and charities;
- Academy schools and academy trusts in and outside of Warwickshire;
- Local universities and other academic organisations;
- Local industry and businesses; and
- Town and Parish Councils in Warwickshire.

Further details of the Council’s key priorities, plans and outcomes are available in the Council Plan.

Resourcing our activities

The Medium-Term Financial Strategy underpins the delivery of the Council Plan and is agreed as part of the budget-setting process which concludes in February each year. Taking a medium-term approach allows for a more coordinated and planned approach to

prioritisation and allows services to focus on delivery knowing the financial limits and constraints within which they are required to operate. Within the budget resolutions, the Council confirms and applies a number of fundamental financial strategies and policies.

Revenue and capital spending

We spend our resources in two ways, through revenue and capital spending. Broadly, our revenue spending relates to income received in year and spending on items used in the year. Most of our salary costs are included in revenue expenditure. Our capital spending relates to assets we have bought, created, or improved and which will be used for more than one year. An annualised amount is charged to our revenue accounts to reflect the economic use of assets each year to provide services. This accounting charge does not reduce our revenue resources

but borrowing to fund our capital expenditure does.

Revenue allocations are made to services through a process which balances demand forecasts, inflation and other price increases, commitment to our statutory duties and the investment choices which the Council wishes to make to improve services or reduce costs. By law, we must set a balanced budget which ensures that the Council meets not only its existing commitments but also remains on a firm footing for the future.

Revenue Resources		2023/24	2024/25
Original gross income budget at start of year		£m	£m
Business Rates	-----	80.8	90.7
Council Tax	-----	321.8	338.8
Total Unconditional Revenue Resources (Gross)	-----	402.6	429.5
Specific Government Grants	-----	112.4	145.0
Adult Social Care Levy	-----	40.8	48.2
Customer and Client Receipts	-----	126.7	150.3
Dedicated Schools Grant	-----	261.3	295.3
Total Revenue Resources	-----	943.8	1,068.3

Adult Social Care is the second largest area of revenue spending after Schools and Education. Each year since 2016-17 the Government has permitted local authorities to levy an additional amount on top of their normal Council Tax increase each year, with this additional funding to be ring-fenced for use in Adult Social Care. We have taken the additional levy (2% for each year between 2016/17 and 2020/21, 1% between 2021/22 and 2023/24 and 2% for 2024/25) and have increased the resources available to deliver adult social care by at least the amount raised this way.

The figures shown above for specific Government grants include a number of grants

which come with conditions that limit our discretion in how they can be used. The largest of these is the Dedicated Schools Grant which we receive from Government to meet the cost of funding schools and relevant pupil-related services; this is presented separately in the table above. We continuously review how we deploy these resources for maximum impact.

Our capital spending power is the combination of external income which must be spent on capital (such as specific grants or contributions and the receipts from the sale of our assets) and the extent to which the Council is willing to meet the costs associated with borrowing money from its revenue resources.

Capital Resources	2023/24	2024/25	2025/26 and later
Budget for the year after adjusting for previous year's outturn	£m	£m	£m
Capital Grants and Contributions	148.6	112.0	33.0
Receipts from the Sale of Assets and Repayment of Loans	5.9	5.2	69.5
Direct Application of Revenue Resources	2.1	0.5	-
Borrowing (to be repaid from revenue resources)	18.9	102.2	143.9
Total Capital Resources	175.5	219.9	246.4

Our capital allocations are made in line with our Capital Strategy, which includes three key elements: capital maintenance works to ensure our assets continue to be fit for purpose and able to support the provision of services; replacement of assets that have reached the end of their useful life and capital investment to create and develop new assets. Each element has several strands that ensure a clear focus on

the purpose of capital spending and the prioritisation of proposals, underpinned by specific service asset management strategies.

Allocations included in the maintenance programme meet one of the following three criteria:

- maintaining our assets to ensure services can continue to be delivered;

- statutory health and safety and other regulatory requirements; and
- annual equipment and/or vehicle replacement programmes.

Our annual maintenance programme includes allocations from the government grants received for schools and highways maintenance plus revenue funding used for the replacement of vehicles, where this is more cost effective than leasing the vehicle. We also finance some maintenance from borrowing.

2023/24 saw the second year of the Asset Replacement Fund which was created to alleviate pressure on service revenue budgets accumulating underspends to fund costs of replacing vehicles, plant and equipment and to avoid the depletion of capital resources set aside for investment. A review of the fund balance is undertaken annually as part of the refresh of the capital budget to ensure the level of funding is consistent with the emerging needs from Services' asset management plans.

The Capital Inflation Contingency Fund continues to manage the impact of inflation on the approved capital programme.

A further fund linked to capital is the Investigation Design Fund, this is a fund which seeks to reduce the risk of approving capital projects without fully understanding the true costs of delivery, and therefore should reduce

Savings and efficiencies

The resource estimates shown above reflect the broader economic outlook. The Council has a strong track record of delivering savings which has served us well this year through some challenging financial times. The Council Plan and the Medium-Term Financial Strategy aim to further this success, maintaining strategies of investment for longer-term savings and, as far as

the risk of capital projects requesting additional funding once in the delivery stage.

The Investigation Design Fund achieves this by providing up-front funding for investigative work that is necessary to give greater cost certainty when a full business case is submitted for approval.

Investment schemes are, by their nature, not routine and so are only considered if they move the organisation towards the delivery of our outcomes or are invest-to-save schemes. Where we have discretion in how to apply capital financing, we use a structured evaluation process that assesses:

- what we are trying to achieve for the Warwickshire residents, businesses and visitors by investing in particular assets;
- the contribution of the new assets to the delivery of the Council's priority outcomes;
- the financial costs and benefits over the short, medium and long-term;
- the risks inherent in the delivery of the scheme itself and the expected benefits, with a focus on better up-front planning and timetabling; and
- the contribution the new asset can make to the Council's Climate Change ambitions.

Investment schemes may be funded by any of the sources in the above table, and often a combination of these.

possible in an environment of high inflation, prioritising finding new ways of working rather than service reductions. The key themes are better procurement, improvements in efficiency, increased income and delivering reductions in demand. The Medium-Term Financial Strategy tasks the authority with finding £64.0m of savings over the next 5 years.

Reserves

Reserves are resources we have accumulated over time and set aside for a particular purpose as part of an integrated approach to the effective financial management of the authority over the short, medium and long-term.

We hold reserves to:

- ensure future events outside of our control do not undermine the authority’s overall financial position or impact on service delivery;
- plan for the effective use of resources over time for a specific purpose;
- ensure we meet funding conditions (set either by an external funding body or a specific decision of Members) in our use of any available resources; and
- retain any other accumulated underspends prior to decisions on their use.

The Council’s budget is set to include anticipated levels of reserves added or drawn down in the year; these plans may change as the year progresses to react to emerging pressures or other events and are approved through the quarterly financial monitoring process. Some reserves are held at a corporate level to support overarching risks and strategies.

The level of general reserves is consistent with the overall financial environment and the key financial risks faced by the Council. These risks are assessed at least annually and take account of circumstances at the time of assessment as well as trends into the future.

The Medium-Term Financial Strategy includes the planned use of £20.4m of the Available-for-Use reserve by 2028/29.

Reserves Balances at start of year	2023/24 £m	2024/25 £m
Management of Risk	8.8	13.7
Available to Use Reserve	50.5	25.9
Earmarked Reserves	91.1	83.8
General Reserves	26.0	26.0
Specific Investment	26.2	27.9
Schools	20.4	17.2
Total Reserves	223.0	194.5

Borrowing and investments

We undertake treasury management activities in a prudent and flexible manner so as to ensure we retain sufficient liquid funds to provide for day-to-day cashflow requirements whilst funding our capital spend at the lowest cost. These activities are managed within an overall

framework determined by the Treasury Management Strategy which is updated and approved by Members annually. Interest income and expenditure as a result of investments or borrowing is reflected in our revenue budgets.

Pensions

The majority of the Council's employees (excluding schools) are members of the Warwickshire Local Government Pension Scheme, and the Council administers the fund that supports the Scheme. At the end of 2023/24 our share of the scheme showed a net liability of £18.5m.

although they are operated as independent entities. The County Council's accounts reflect the pension disclosures relating only to its own employees. This includes disclosures for those staff with alternative pension schemes, such as Teachers and Firefighters. The net liability for our share of these nationally administered schemes is £266.6m.


Both the accounts for the County Council and the Pension Fund are included in this document,

Management of Risk


The successful delivery of the Council Plan and Council Delivery Plan and our sustainability into the future are dependent on our ability to manage and respond to the risks we face. Many potential issues will remain on the strategic risk

register and be regularly monitored, while others are actively managed to reduce the risk or its impact. Further information can be found in the Annual Governance Statement section within this document.

Our performance in 2023/24




£20 million of external funding secured by WCC services/partners to support Council priorities.



97% of adult social care, reablement and occupational therapy customers were happy with the service received (March 2024)



53% of household waste re-used, recycled and composted.



There has been a **10.2% increase** in e-books and audio loans from our libraries.




2,797 marriage and civil partnership ceremonies and delivered 752 citizenship ceremonies online.




Delivered road safety education sessions to **49,987 people.**



99% of planning applications determined as Highway Authority within their statutory time period.



79% of Warwickshire premises with gigabit capable broadband.



49% of Key Stage 4 pupils in Warwickshire achieved 9 - 5 (Strong Pass) in English and Maths GCSEs

Performance Overview for 2023/24

Our ambition is to make Warwickshire the best it can be and our Council Plan 2022-27 sets out how we will make this happen. It sets out three strategic priorities for Warwickshire to be:

- a County with a thriving economy and places with the right jobs, skills, and infrastructure;
- a place where people can live their best lives; where communities and individuals are supported to live safely, healthily, happily and independently.
- a County with sustainable futures which means adapting to and mitigating climate change and meeting net zero commitments.

To make this happen, we will be a great Council and partner: one which harnesses community power, uses data and digital solutions to improve service efficiency and is a great organisation to work in with outstanding leadership and a talented, agile workforce.

These Strategic Priorities are further supported by seven Areas of Focus and our progress this year is detailed against each of these.

Seven Areas of Focus

Create vibrant places with safe and inclusive communities

Our Creating Opportunities programme has translated the national 'levelling up' agenda for Warwickshire. It remains a key driver within this Area of Focus joining up and working with communities.

Following publication of the countywide approach in 2022, we have developed key strategies that address many of the national missions including Sustainable Futures, Economic Growth and Community Safety. We have also successfully launched the Council's £32.5m Social Fabric Fund, with a focus on support to the 22 Lower Super Output Areas.

We have also been work closely with partners across the County to develop local plans - with plans for both Stratford and Nuneaton & Bedworth agreed by respective Executive bodies in December 2023. These plans have been complemented by hyper-local, community led pilots in Lillington and Mancetter as part of our Community Powered Warwickshire approach.

In early 2024 we took stock, publishing 'The journey so far' document, a new microsite and visual narrative 'Creating Opportunities in Warwickshire', supported by a full programme of activity and clear alignment of deliverables throughout the Council Delivery Plan.

Our Trading Standards and Community Safety Teams remain proactive in supporting communities to be and feel safer and more inclusive. Notably, a successful Round 5 application to the Home Office for Safer Streets funding resulted in an award of £820,000 to spend on interventions around the County.

The Council led the implementation of the new Serious Violence Duty on behalf of Warwickshire partners, with a Serious Violence Prevention Strategy, Strategic Needs Assessment and Delivery Plan completed and adopted ahead of the January 2024 deadline. Work is now underway to deliver the multi-agency initiatives set out in the strategy and delivery plan.

Much work took place during 2023-24 linked to the partnership ambition to tackle discrimination in all its forms, with a new hate crime strategy and action plan adopted in December 2023.

The Community Safety Team continues to deliver multi-agency training to partners, with the number of Prevent training participants reaching an all-time high and a new serious violence prevention training programme being rolled out.

Tackling the sale of illicit vapes and tobacco has also been high on the agenda for Trading Standards, as well as the sale of these products to underage children, which has resulted in a recent successful prosecution of a business selling harmful vaping products in Warwickshire.

We have focussed our efforts on product safety, identifying fulfilment houses within the region, with the intention of disrupting the sale and distribution of products that are potentially dangerous and unregulated.

Our Road Safety Team continue to focus their efforts on making our roads safer for all users by delivering varied safety programmes across the County. This year a new initiative was delivered called Sustrans Big Walk and Wheel which offers free Scootability training aimed at children aged 5 to 10 years focussing on building key scooter skills and knowledge.

A pilot road safety scheme called School Streets was undertaken at Eastlands Primary School in Rugby and has been hailed a success in making the local street safer for the school and wider community during the busy drop off and collection times. During these periods, the residential road leading to the school is closed to all non-residential traffic, transforming the area into a far safer environment with more families using active travel, walking, cycling and scooting for their journey to school.

Commissioned by our Road Safety Education Team, "the Journey" is a unique and contemporary theatre-in-education approach tailored for students aged 11-18. The interactive event has been a smash hit and the team's intervention has been praised as an invaluable tool for students to grasp the real-life consequences of their choices on the road. To date, 25 secondary schools across the county have been involved, and 7,291 pupils have been engaged during the project.

A permanent memorial for all who have been lost or injured on our roads was unveiled at Hartshill Hayes Country Park. It is part of our commemorative woodland and offers a peaceful location for people to gather to pay tribute to family members, friends, or colleagues whose lives have been affected by a road traffic collision.

In April, Warwickshire Fire & Rescue Service (WFRS) received an inspection from His Majesty's Inspectorate for Constabularies and Fire & Rescue Service (HMICFRS) and our inspection report was published on 13th September 2023. HMICFRS identified that

more improvement is required but recognises the progress that has been made since the last inspection with the number of Causes of Concern reducing from 3 to 1, and the Areas for Improvement from 41 to 26, with 1 notable practice for leadership training.

On 11th December 2023 WFRS launched a public consultation on a proposed change to its service delivery model as part of its Resourcing to Risk approach. The consultation ran for 13 weeks and closed on 10th March 2024 with 1,212 survey responses received. Consultation analysis is underway and findings will be reported to Cabinet later this year.

Work has begun on the new Warwickshire Fire & Rescue Service training facility and response point at Paynes Lane in Rugby. The facility will provide the ability to create realistic training scenarios where firefighters can learn essential skills in a controlled environment, the build is expected to be completed by mid-2024. In the future, the facility will generate additional income for WFRS through external training opportunities as well as making savings by training firefighters in-house.

Deliver major infrastructure, digital connectivity, and improved transport options

During the last year significant progress has been made on our major infrastructure schemes that aim to improve our networks across the County.

Both the A46 Stoneleigh Junction and the Bermuda Connectivity Improvement schemes have progressed across the year and are due for completion in 2024/25.

Developer funded and capital schemes in the Europa Way corridor continue to make good progress, with major improvements due to start on site at the Princes Drive roundabout in early 2024/25.

Public engagement has commenced to support the planning application for proposed improvements at the Avon Mill roundabout in Rugby.

Warwickshire’s Local Transport Plan (LTP4) was adopted by the Council in July 2023 following an 8-week consultation period in the Autumn of 2022. Over 300 responses were received through the consultation and these, together with the views of our Citizen’s Panel, a representative group of 30 Warwickshire residents, have shaped the production of the final LTP.

During this year, Warwickshire Property and Development Group, which was created to deliver affordable and market-priced homes, as well as a range of commercial, mixed-use and renewable energy opportunities, have delivered a number of schemes, including:

- Brookmill Meadows, Warton: The first site to be developed via Develop Warwickshire, the Joint Venture Company set up with Countryside Homes, is made up of 71 homes, of which 6 were completed this year. All homes have solar panels, air source heat pumps and electric vehicle charging points as standard.
- Sucham Park, Southam: Completed construction of 9 small to medium commercial units (totalling 42,000 square feet) to support small to medium-sized enterprises (SMEs) within the County.

Further developments include:

- Top Farm, Nuneaton: Cabinet approval for the first of four phases of this Develop Warwickshire site, which will see 551 homes built, 25% will be affordable. It is anticipated that the four phases of development will result approximately 1,725 new dwellings, a new primary school, a new local centre/leisure facility, and a new secondary school.
- Manor Park: Cabinet approval for the development of 52 homes on this former secondary school site. In addition, this will enable the development of an Extra Care facility on an adjacent plot.

We continue to promote Safe and Active Travel across our County and during this year we

completed the first phase of the Kenilworth to Leamington cycle link, connecting the two towns with a dedicated off-carriageway, high quality, safe and direct cycle route.

In addition, the draft Warwickshire Local Cycling and Walking Infrastructure Plan (LCWIP) was consulted upon for eight weeks during the summer. A total of 1,031 people responded to the online survey, demonstrating the high level of public interest in active travel in Warwickshire, and ensuring that the LCWIP is based on a good understanding of local viewpoints. Overall, there was a high level of agreement with aims and proposals and the majority of respondents stated that they would walk and/or cycle more should the routes be delivered as outlined in the plans. The LCWIP supports the development and delivery of a pipeline of walking, wheeling and cycling schemes and guiding of investment opportunities over a 10-year period and was approved by Cabinet in February 2024.

To encourage use of public transport the £2 bus fare cap has been extended until 31st December 2024. In addition, a project to improve evening bus travel between Leamington, Rugby and Southam is being undertaken by the Warwickshire Bus Partnership.

Promote inclusive, sustainable economic growth, successful business, good quality jobs and future skills

There has been considerable progress and success within this Area of Focus this year.

An investment plan was approved by the Multiply programme, part of the UK Shared Prosperity Fund. It is targeted at adults (aged 19+) who do not currently have a GCSE grade C/4 or equivalent in maths, aiming to increase numeracy levels for adults thereby benefiting employers by boosting the skills of their workforce.

We delivered two internships fairs at Compton Verney in November a second Supported Internships Fair and the Eliot Park Innovation Centre in Nuneaton. The fairsgive young people, including those aged 16-24 with an Education, Health and Care Plan (EHCP) and their families and carers, along with local businesses and

education providers, a first look at new guidance developed to provide improved information on supported internships. Feedback on the events was overwhelmingly positive.

The Future Skills programme is a new three-year programme of support to boost apprenticeships in industry with a future focus which support new and emerging technologies. The fund will create five Future Apprenticeship fairs to support our communities in accessing apprenticeship opportunities in growth areas of new and emerging technologies. It also offers support packages for businesses looking to create a skills pipeline into future jobs supported by a dedicated Future Skills Advisor. The project will see industry specific employer round tables set up to enable industry to communicate with the college and provider network to ensure the local skills offer will support the future skills requirements.

In January 2024 our Adult and Community Learning service achieved a Pass in the three-yearly matrix Standard assessment which is owned by the Department for Education and ensures the delivery of high-quality information, advice and guidance services, allowing learners to reach their full potential.

In December 2023 the number of learners enrolled onto a WCC course reached 2,783, a steady increase on previous years.

Coventry & Warwickshire area is among the best performing locations in the country as a destination for Foreign Direct Investment, continuing to outperform the overall UK average.

The area attracted 56 foreign investment projects in the year 2022-23, the most recent data available, maintaining a strong trend of recent years and represented a 24% increase on 2021-22 compared with a UK increase of 4%. The number of jobs created also increased, up at 3,195 compared to 1,534 the year before, while the UK saw a fall of almost 7% for the same period.

Key sectors for Coventry & Warwickshire included automotive and future mobility (17 projects) and digital creative and software (13 projects) and e-commerce and logistics (5

projects), accounting for 17% of the total UK automotive projects.

Recent investors into the area included Berry Global, DHL, Rhenus, REE Auto, and Switch Mobility, from countries as diverse as Australia, China, Germany, India, Japan, Sweden and the US.

Across the area there have been 71 industrial units speculatively built or just about to be completed, representing 2,959,034ft² of available space, and a further 1,830,678ft² over 17 buildings over the same schemes that have been let. The new stock is split 396,128ft² over 43 units for SMEs (units less than 100,000ft²) and 2,562,906 ft² over 11 buildings for larger requirements over 100,000 ft².

The office market was less active, typical of recent trends outside of major cities. However, in Warwick sub-market a 60,000ft² office and mixed-use redevelopment of House of Fraser came online. The Creative Quarter in Leamington had a boost with the refurbishment of the former United Reformed Church and Cogent moved in, with creative skills provider SAE moving in next door. The former IBM Campus in Warwick saw the Woods building fully occupied by a mix of professional, financial services, med-tech and software companies. The building next door, now known as The Point, is currently finishing a significant refurbishment with Telent as anchor tenant.

The tourism and food and drink sector in Warwickshire contributes significantly to the local economy, the latest Tourism Economic Impact study (2022) shows that its total worth is in the region of £1.275 billion. It generates revenue through various means such as accommodation, dining, shopping and entertainment. Of all visitor expenditure in a large proportion is spent on the Food and Drink sector, generating over £300m for the local economy.

Warwickshire County Council supports the Coventry and Warwickshire Foodie Awards and committed to offering support to the sector by showcasing the work of our producers at the awards as well as providing networking business and skill support.

Tackle climate change, promote biodiversity and deliver on our commitment to Net Zero

This year, following extensive consultation and work with experts across academia, business, communities and the public sector, we have published our Sustainable Futures Strategy and accompanying delivery plan. We have aligned deliverables with other services plans and strategies so we are able to maximise impact and using existing service budgets and external income to support areas such as transport, economy and our own estate. We have also set out which areas of the plan we need to prioritise for funding and will look for external opportunities such as grants, the role of our procurement and developer processes as well as more innovative solutions to explore.

We have also established a team to work across the Council and County to help us deliver the strategy; this includes dedicated funding and adaptation officers. To support delivery and maximise impact we are working with other institutions for mutual benefit and have established key relationships with Coventry and Warwick Universities who are helping us progress aspects of the plan.

Education and behaviour change is a critical foundation to delivering the strategy; this has been supported this year by a communication campaign that reaches out to communities and residents to encourage them to take their own action. We have also started work with staff to establish a momentum for action through a Climate Change Action Group as well as introducing a programme of carbon literacy training to help services and staff consider the actions that they can take to support the Council's climate goals.

Our tree nursery continues to progress and has been awarded grant income from the Local Authority Treescape Fund, the Urban Tree Challenge Fund and the Coronation Living Heritage Fund in excess of £0.8m to support our tree planting strategy.

This year also sees national legislation in place to deliver Biodiversity Net Gain, as one of the pilot authorities. This scheme is well established in Warwickshire with the Council working in partnership with neighbouring authorities to bring in developer income to support further

investment in natural capital in line with the Council's climate change ambitions.

Our new monthly Sustainable Warwickshire County Council podcast is for those people living and working in Warwickshire with an interest in climate change and ensuring that Warwickshire is sustainable now and for future generations. It features conversations with people from our public, private and voluntary sectors, all taking action to reduce carbon emissions, support biodiversity and promote economic growth.

Cabinet has approved the Council's Energy Strategy and Action Plan which lays out the way forward on how it will reduce, use, generate, and measure its energy use. Taking action to ensure Warwickshire has a sustainable future is a key strategic priority for Warwickshire County Council and sustainable energy management has a critical role to play in reaching the goal of becoming a net zero Council by 2030. The new Energy Strategy and associated action plan will enable the Council to effectively address its energy needs by reducing consumption, optimising usage, generating renewable energy, and establishing the robust measurement mechanisms that will underpin this.

Deliver our Child Friendly Warwickshire strategy - Happy, healthy, safe children

There are several achievements this year within this Area of Focus including a focused visit by Ofsted which took place in March 2023, where inspectors reviewed WCC's arrangements for care experienced young people. Ofsted reported that since the last inspection in November 2021, when children's services were judged to be 'Good' overall, there has continued to be an effective focus on improving services for care-experienced young people. Inspectors noted that services had strengthened despite a challenging backdrop of financial pressures and rising need.

Ofsted also inspected Cherry Tree House, Warwickshire's first children's home, which was judged 'Good' by Ofsted in October 2023. The report noted that staff are passionate about their role and have high aspirations for children.

The home is the first of a number planned across the County. It will mean fewer children will have to move away from their friends and family when placed in care. By introducing Council-run children's homes in the County, and having more local and alternative provision, we can improve the outcomes for children in care.

An increase in demand from people requesting and accessing services has led to increased numbers of children subject to a Child Protection Plan (reaching 396 in December 2023, from the lowest reported figure of 287 in May 2023) and rising numbers of children with an open Child in Need category (which has been steadily rising from 3,472 in February 2023, to 3,735 in January 2024). The rise in demand is due to the impacts of 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, and increased use of agency staff.

In May 2023, 40 young people from across Warwickshire came together with County leaders for the first Child Friendly Warwickshire Youth Voice event. The event at Shire Hall was attended by young people from the County's Youth Council, Children in Care Council, Care Leavers Forum and IMPACT, our SEND Forum. They were joined by children's service managers, elected members and professionals from public sector partners to talk about a range of local issues that affect them. The feedback received from the young people in attendance mentioned how 'inspirational', 'exciting' and 'interesting' the event was and that they were pleased to have an opportunity to have their voices heard.

Also in May, we celebrated Foster Care fortnight, celebrating our Fostering committee with events such as coffee mornings, peer meetings and foster carers sharing their experiences. The new Fostering website was launched in June encouraging people to become Foster Carers.

In June, WCC's library service launched a new sensory offer at Stratford-upon-Avon Library, which features brand new equipment, including a floor projector, interactive floor mat, and a fibre optic den. The new offer aims to improve the support and development opportunities

available for all children, and especially those with special educational needs and disabilities (SEND).

The Warwickshire House Project, supporting care leavers in Warwickshire with their transition to live independently, celebrated its 5th anniversary on Friday 21st July. During this time the project has worked with 49 care leavers. Assistance includes advice about education, employment, training and the young people are taught life skills such as learning to cook a variety of meals, managing budgets through financial training, and help around maintaining their home.

A range of engaging activities to keep children and young people entertained were offered during the summer break from school. For children eligible for free school meals, Warwickshire Holiday Activities & Food (HAF) Programme, provided exciting and free activities, including sports, arts, crafts and dance, and each activity included a nutritious meal. The Summer 2023 HAF programme occupancy rate was 95.3 per cent with more than 34,000 bookings, involving 4,631 children. Warwickshire libraries, the Market Hall Museum and Warwickshire Fire and Rescue Service (WFRS) all held events to engage young people.

Over 100 Warwickshire young people took part in the "Voices of Tomorrow" conference on 3rd November 2023. The event hosted by Warwickshire County Council in partnership with Warwick University, was organised and led by young people for young people to offer an opportunity for them to discuss topics of importance to them. A total of eight different workshops were planned for the day allowing participants to focus on issues that affect children and young people, including climate change and sustainability, mental health, careers and safety. Feedback from the event has been overwhelmingly positive, with attendees describing it as well-organised and safe.

Through education, improve life opportunities for children, young people and those with special educational needs and disabilities

This Area of Focus is a priority as we endeavour to support schools and help children to reach their full potential.

Ahead of returning to school in September, one maintained school within Warwickshire was identified as having Reinforced Autoclaved Aerated Concrete (RAAC) within its structure. In line with national guidance, Reception, Year 1 and Year 2 pupils experienced a delay in returning to school. The Council worked with the school to carry out additional mitigating action in order to enable the school to safely reopen, and support was also provided to two affected academies to minimise disruption to their pupils.

Following a review of our schools admissions process we have seen a considerable improvement in handling in-year school applications, which the council has a statutory duty to process within 15 days. The team have received an average of 490 per month for the last eight months. Back in 2021, we were only hitting this target 38% of the time. However, due to the efforts of the School Admissions team to improve how they work, and a more effective use of the Fair Access Protocol (which is there to make sure schools take a fair approach to admitting vulnerable children), in January 2024 they hit this target for every single application, achieving a 100% success rate.

Warwickshire currently supports approximately 2,000 children by transporting them to school on a daily basis. Demand and costs continue to increase, so we have reviewed our service model and implemented a number of improvement projects. One project is for parents or carers to submit an expression of interest at the same time as applying for a school place which results in the planning team having earlier sight of requirements to enhance service planning.

More choice has been incorporated with parents/carers being given the option to transport the child themselves and receiving a direct travel payment contribution.

We had applications from 7,172 Warwickshire children applying for a secondary school place; an increase of almost 7% on the previous year.

81.4% were offered a place at their first choice secondary school, with 95.3% of families being offered one of their top three preferred schools.

In January 2024 it was announced that Warwickshire is making good progress to enhance support for children and young people with special educational needs and disabilities (SEND), according to the latest review provided by the Department for Education and NHS England. The report highlighted the adoption of new priorities through the Delivering Better Value Programme and the refresh of the SEND and Inclusion Strategy.

Other initiatives include IMPACT, Warwickshire Young People's Forum for SEND, which celebrated its first birthday on 19 May 2023.

This year they have contributed to the School Inclusion Charter and the Working Together Charter, making sure that young people's views are considered. Forum members also spoke to Warwickshire headteachers at the summer term conference in June.

Across Warwickshire, 43 early years settings have been recognised for the high-quality of their support for children with special educational needs and disabilities (SEND). The award, known as the Warwickshire Inclusion Kitemarking Scheme (WInCKS), is a WCC initiative developed with local families that highlights and celebrates early years settings that excel in offering inclusive settings for children with SEND.

WCC has funded the development of four new primary SEND resourced provisions in Nuneaton, Bedworth and Rugby, where the greatest need was identified. Funding has been used to remodel existing classrooms to install sensory rooms and nurture areas to provide calming spaces for pupils, as well as more easily accessible outdoor spaces. Specialist staff have also been recruited, which will enable them to offer pupils tailored support to improve their development and wellbeing.

In July, WCC's Flexible Learning Team arranged a prom night for Year 11 students who were unable to attend school due to illness. Students were treated to an evening filled with music and entertainment. The Prom Night provided a

unique opportunity for them to celebrate and create cherished memories.

For the school year 2022/23, the latest available year, there was a return to education assessments and examinations; 69% of Warwickshire's Reception year cohort achieved a Good Level of Development, compared to 67% for state-funded schools nationally. At Key Stage 2, 60% of Warwickshire's pupils achieved the Expected Standard in Reading, Writing and Maths compared to a state funded school national average of 59%. At Key Stage 4 Warwickshire also performed above the average Attainment 8 Score per pupil (48.4 compared to 46.3) and average Progress 8 score (0.05 compared to -0.03).

Warwickshire's latest data on young people participating in education, employment or training is positive. The percentage of 16–17-year-olds participating in education and training is 94.5%, compared to the national average of 92.3%. Through the Council's support to local areas in monitoring figures and developing the offer for young people it is expected that strong performance in this area will continue over the next year.

Support people to live healthy, happy, and independent lives and work with partners to reduce health inequalities

The Social Care and Support service has been preparing for the new CQC assessment framework, which will apply to providers, Local Authorities and Integrated Care Systems.

The Council participated in a regional Association of Directors of Adult Social Service (ADASS) Readiness Review, which reported positively on the Council's frontline staff and strength-based practice.

An Adult Social Care Strategy is also being developed that will lay out a clear plan for the period up to 2030. The Strategy will centre around three overarching priorities to ensure people are safeguarded, supported and satisfied. Staff, providers and customers will be engaged on the strategy, with final sign off to take place in summer 2024.

Our work has been wide ranging but key highlights include working, with our partners across Coventry and Warwickshire, to celebrate Autism Acceptance Week from 27 March – 2 April, highlighting the importance of understanding more about autism and aiming to inspire others to take steps to build kinder, more inclusive communities.

Linked to this and launched in June 2023, people in Coventry and Warwickshire who may self-identify as autistic, those awaiting an autism assessment and those with an autism diagnosis are now able to access improved support through the all-age Community Autism Support Service (CASS) which aims to be responsive to local need, providing better targeted support in the community.

Ensuring as many people as possible have access to good quality, healthy and affordable food was the central commitment of a new Warwickshire-wide Food Strategy for 2023-2026. Agencies and organisations across Warwickshire have pledged their support to work together to deliver the Warwickshire Food Strategy. The Strategy sets out a plan for public, private, voluntary and community sector organisations to work together on priority areas.

Our Trading Standards team have been working with Champion School to clamp down on the number of illegal disposable vapes being sold to underage children. 11,000 illegal vapes have been seized by Trading Standards in the last 12 months, and concern is high particularly around the health risks of the untested products and availability to young people who are becoming addicted.

A new Safe Haven Coventry and Warwickshire service, commissioned by NHS Coventry and Warwickshire Integrated Care Board and operated by Coventry and Warwickshire Mind, was launched 1st July 2023 providing community-based, non-clinical support crisis intervention to residents aged 16 and above that helps to de-escalate, give back control, stabilise thoughts and actions and prevent further deterioration for those who have feelings of emotional distress.

In July 2023 colleagues in Occupational Therapy and ICT worked together to develop a new app that can be used when visiting customers who

need minor adaptations, such as grab or stair rails in their home. The app can be used to take photos and create diagrams of properties with notes and measurements and then loaded onto the community equipment prescribing system.

In January 2024 the Director of Public Health's annual report was launched at the Warwickshire Health and Wellbeing Board. Named 'Breaking the silence: working together to prevent domestic abuse' it portrays the devastating impact of domestic abuse through the story of a fictional character named Mia and her experience of abuse, told through the accounts of those surrounding her, and the services involved. Whilst the story is fictional, it reflects real-life experiences, and is intended to highlight the harm and long-lasting, far-reaching effects of this crime.

Smokers in Warwickshire who are looking to quit can access our improved stop smoking support offer with the introduction of the new Government 'Swap to Stop' programme. Swap to Stop offers smokers over the age of 18 access to support to quit with the help of vape 'quit kits' and access to 12 weeks of behavioural support and stop smoking treatments. Warwickshire's Quit 4 Good programme, provided by Everyone Health, offers smokers aged 12 and over free stop smoking support for 12 weeks. This includes behavioural support, access to the Smoke Free app and nicotine replacement therapy which now includes the new Government funded Swap to Stop vaping quit kits.

Harnessing Community Power

Central to our Creating Opportunities programme, the Social Fabric Fund is investing in "social infrastructure" to develop and strengthen Warwickshire's most deprived communities and, in so doing so, improving residents' life chances, and reducing inequalities. The Fund, comprising £1.5m capital and £1m revenue monies, is aimed at the 22 areas of Warwickshire in the most deprived 20% of the national indices of Multiple Deprivation. All proposals need to be assessed against, and meet, the Fund criteria, including a requirement for proposals to be community-powered, driven from within communities, ensuring maximum value for money and sustainable community

impact. Up to the end of February 2024, 31 expressions of interest had been received, with a further 12 expressions of interest in the pipeline. Three proposals have been funded so far, all in Nuneaton.

We launched the two rounds of the Councillors' Grant Fund providing each of WCC's 57 Councillors with an allocated fund of £8,000 to support projects that build community capacity and support initiatives that improve access to services; financial capability; reduce loneliness and isolation; promote equality and inclusion; enhance the physical environment; and reduce environmental impact. In total, we have received 849 applications with 590 organisations being successfully awarded the total of £451,823.

The Community Partnerships service has played a vital role in supporting newly-arrived communities in Warwickshire with integration into the wider community. More recently, we have been supporting development of new community groups, such as an Afghan community group in Stratford and Warwick District.

The Council has continued its work supporting the Armed Forces Covenant (AFC) and the Armed Forces community in Warwickshire; Regulars, Reserves, Veterans and their families. A new legislative duty, the Covenant Duty, came into force on the 22 November 2022 with Local Authorities and NHS organisations being subject to the Duty in the areas of healthcare, housing and education. Awareness raising internally and externally has been ongoing ensuring relevant departments and partner AFC organisations are aware of the new Covenant Duty and its implications, including the development of e-learning modules to train staff.

The Council has also secured a £110,569 grant from the Integrated Care Board Health Inequalities Fund to fund a project to deliver NHS Physical Health Checks to veterans in deprived areas of the north of the County as veterans are reluctant to access medical and other forms of support. The Veterans' Contact Point in Nuneaton are providing a veteran-friendly space encouraging veterans to access this service.

The Voice of Warwickshire residents' panel gives people who live in Warwickshire an opportunity to share their views on a variety of subjects. Results from surveys completed by panel members are given directly back to decision makers within the council, to assist them when making plans and decisions. Over the last year the panel has contributed to policy development on levelling-up, emergency planning, community power and library services.

Over the last 12 months, well over 8,000 responses have been received to 35 activities run on the Council's consultation and engagement platform, Ask Warwickshire. This feedback has contributed to planning, strategy development and decision-making in areas including Warwickshire Fire and Rescue Service; public rights of way; transport infrastructure and delivery; schools and education; economy and skills; 0-5 health visiting, and housing related support. Activities have also been used to understand the needs of the Warwickshire population for example to inform areas of the Joint Strategic Needs Assessment programme, and how satisfied users are with our services, such as household waste recycling centres.

Using our data and digital solutions to improve service delivery

We have a continuing aim to seek and develop innovative ways to use data and digital solutions to improve how we work and our service delivery.

Key achievements this year include a Warwickshire Libraries initiative making e-reading resources more accessible, a new service in 9 of our libraries providing Hublet tablets devices to our customers so they can enjoy eMagazines, eNewspapers, eBooks, and other online eResources without the need to have or bring their own digital devices.

During the year two key elements of the Digital Roadmap have been made available:

- Customer Platform – providing citizens with easier ways to interact with the Council online with Customer Feedback and Highways reporting included as the first phase. The platform will continue to be developed during the coming year

with more processes available digitally. The system enables citizens to track the progress of their interaction online and view the response once resolved.

- Contact Centre Telephony – a new system with increased capacity to allow the Council to respond to peaks in citizen demand. The system will provide the foundation for new voice services such as voice recognition to enable citizens to have their query addressed as easily as possible.

Progress on our Data Roadmap continues. Initially, the focus has been on getting the foundations right - making sure we create good quality data that can be used to help inform strategic and operational decision-making, including establishing consistent data standards and new capabilities around matching data on service users across different systems. These, along with other activities, will enable us to establish better foundations for the organisation to derive more value from its data.

We are now moving into the second phase of our Data Roadmap, which amongst other things will include developing more effective ways to share data with our partners and establishing a framework for how we address ethical considerations around the use of data. This is particularly important as we consider how to benefit from the use of increasingly sophisticated Artificial Intelligence (AI) tools and systems.

Our people and the way we work

The Our People Strategy underpins this area of focus. Strategic Workforce Planning has been a priority over the last 12 months, to ensure we have the right people, with the right skills in the right place. Working with the Chartered Institute of Personnel and Development (CIPD) and West Midlands Employers, we have undertaken a pilot which is currently being evaluated and will be developed into an approach for use across the Council to ensure our workforce is fit for the future.

At the start of 2024 we conducted our Your Say Survey across the organisation and results are

being analysed in detail. Initial headlines include:

- 56% response rate - this is an increase from the 43% response rate last February, and is the highest response rate achieved over the last 5 years;
- Employee engagement has increased to 79% from 76% last year;
- 83% were proud to work for WCC;
- The combined Wellbeing score has increased from 77% to 82% from last year;
- 81% agreed “working here makes me want to do the best I can”; and
- 78% would recommend the organisation as a great place to work.

However, only 44% of respondents think that action will be taken as a result of Your Say, which is consistent with previous years.

Again, this year we have experienced recruitment and retention challenges across many of our services, including Children and Young People, Social Care and Health, Waste & Environment, Schools, Commercial and Contracts, On-Call firefighters and Planning Officers. However, we have seen an improvement in our retention levels throughout the last year, with a year-end position of 89.66%, which remains within our target range of 87-90%. Turnover is at 10.34% for the rolling 12 months.

Our approach to reward and recognition continues to be reviewed to ensure that the overall employment offer is competitive, and we are seen as an employer of choice, continuing to capitalise on the very positive results of the recent staff survey. We introduced a regular Benefits Newsletter and will be implementing Lease Cars and Cost Shared Additional Voluntary Contributions as additions to our benefits offer, which will go live in early 2024/2025.

We recognise the power of staff-led networks to improve the wellbeing of our people, and the culture of our organisation. Such groups provide members with the opportunity to support one another, connect, and discuss prevalent issues and enact change. Our networks are run by employees for employees, with administrative

support from the Equality, Diversity and Inclusion and Wellbeing team.

Sickness levels have increased throughout the year to 9.86 days per Full Time Equivalent which is above our target of 8 days per Full Time Equivalent (+1-day tolerance). Whilst the increasing trend is in line with the national picture across both public and private sectors, we have introduced a proactive action plan to address the increase.

Cost of living

One of the biggest challenges for us this year has been the continuing national cost-of-living crisis which continues to affect our residents and visitors. We continue to work closely with partners on a range of support initiatives to meet the ongoing challenges, an overview is shown below.

A £1m cost-of-living package from the County Council’s Revenue Investment Fund supports:

- food banks across the county;
- 3 community pantries delivered by Feed the Hungry;
- Warwickshire Rural Community Council’s Winter Warm Hubs programme, a network of up to 100 warm hubs across the County;
- extended opening hours of libraries, museums, leisure centres, and some fire stations as warm hubs;
- investment into Citizens Advice to fund a new countywide telephony system, tripling the number of telephone advice sessions, on a range of topics including debt, money management, benefits, housing, and employment;
- investment into voluntary transport schemes, taking people to essential medical appointments and social support activities;
- free school meals uptake promotion work; and
- the cost-of-living support fund, providing grants of up to £1,000 to voluntary and community sector groups.

We have also organised and delivered a range of cost-of-living events, including:

- two countywide events to help agencies collaborate and to enable frontline workers to be aware of the package of support available to residents and communities;
- our cost-of-living website and the freephone number, are the County Council's and partners' "front door" for residents and communities to access information on food, energy support, housing and homelessness, finance, and health and wellbeing;
- Better Conversation Training was organised for WCC and partners, on how to spot, help and support individuals who may be struggling; and
- A cost-of-living forum has been set up, to create an ongoing opportunity for partners to get together to discuss relevant topics, identify joint working opportunities and to share information.

The Household Support Fund Grant, £6.9million for 2023/24, has ensured:

- cost-of-living payments to families/carers with children eligible for benefits related free school meals;
- utilities support for households with children eligible for free school meals; and
- welfare grants to community-led groups and initiatives.

Our Warwickshire Local Welfare Scheme, accessed through the dedicated website and freephone number, has continued to offer help and support to vulnerable residents at times of crisis.

Awards

The Council has a strong record of recognition through national awards, and this year has been an exceptional year for us in this respect.

The Develop Warwickshire joint venture won a major national property award for 'Deal of the Year – Residential' in the RESI Awards, organised by leading business-to-business magazine Property Week. Develop Warwickshire will see Warwickshire Property & Development Group (WPDG), Warwickshire County Council and Countryside Partnerships bring sites forward for housing across the county for the next 30 years,

creating thousands of homes and new jobs for local people.

Our Registration Service won the Local Authority Registration and Coroner Services Association (LARCSA) "Best Registration Feedback". The award nomination was submitted as part of LARCSA's celebrations for National Registrar's Day, which took place in July 2023. The day celebrates the continued care, professionalism, and compassion that Registrars across the country show when helping people through some of the happiest or hardest times in their lives.

For the 24th year running our Warwickshire County Council's Legal Services team have been awarded with LEXCEL 6.1, the latest version of a highly regarded legal practice accreditation, which is an internationally recognised legal practice quality mark, administered by The Law Society for client care, compliance, and practice management.

Within Economy and Skills, Coventry and Warwickshire were runners up in the Foreign Direct Investment (FDI) Intelligence Award. This award benchmarks European cities and regions based on their economic, financial and business strength. The Coventry & Warwickshire area was ranked second for 'Foreign Direct Investment Strategy' and ranked in the top 10 across Europe in 3 categories: business friendliness, FDI strategy and economic potential.

The innovative IndieGo PLUS on-demand public transport service won an award under the 'Road Users' category at the national City Transport and Traffic Innovation (CiTTI) Awards. The service won the 'Public Transport Award' for its innovation and benefits to residents. IndieGo PLUS is our fast and low cost on-demand bus public transport service for Hatton and West Warwick. It is operated in partnership between Stagecoach, Liftango and Warwickshire County Council.

For the 16th year in a row, Warwickshire County Council has been recognised for its environmental management system and was awarded ISO 14001 accreditation. This certification provides assurance that we are managing environmental risks in a structured, transparent way and their environmental impact

is being measured and improved. It gives Warwickshire residents and businesses the confidence that environmental risks are being well managed.

In March 2024 Government announced its intention to develop a Level 2 Devolution deal

for Warwickshire which would give Warwickshire the ability to manage a £7.5 million educational budget and £10 million UK Shared Prosperity Fund.



The Customer Service Centre answered **170,000 calls** over the year and we are proud that customer satisfaction levels have remained high with an average of **86%**



6,728 Safe & Well visits delivered by Warwickshire Fire and Rescue Service.



39,864 trees planted against our commitment to plant one tree for each resident of Warwickshire.

87%

of Warwickshire pupils attended a setting rated either Good or Outstanding by Ofsted.



91%

of commissioned provision (agency foster care or residential) where our children and young people are placed is rated as Good or Outstanding by Ofsted (March 2024)

392 

people with SEND supported by the Warwickshire Supported Employment Service



4,399 emergency incidents were attended by Warwickshire Fire and Rescue Service.



Heritage and Cultural Services have seen a **3.19% increase** in uptake in services through digital channels.

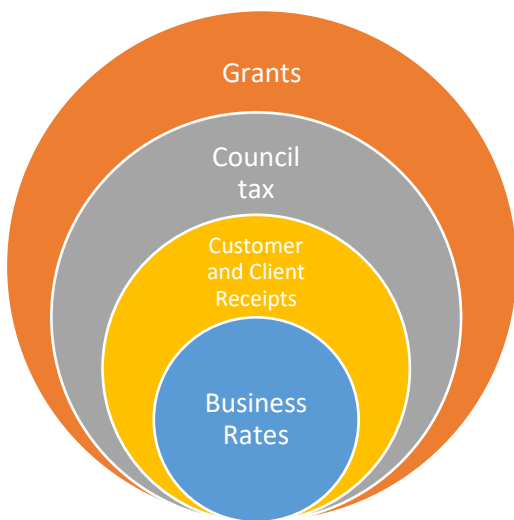
Financial performance

Revenue income and expenditure

Our net revenue income from all sources in 2023/24 was £1,073.2m, £129.2m higher than the gross income budget at the beginning of the year. The increase is attributable to higher than anticipated government grants, an increase in receipts from customers for services provided and interest earned on deposits.

Revenue Income

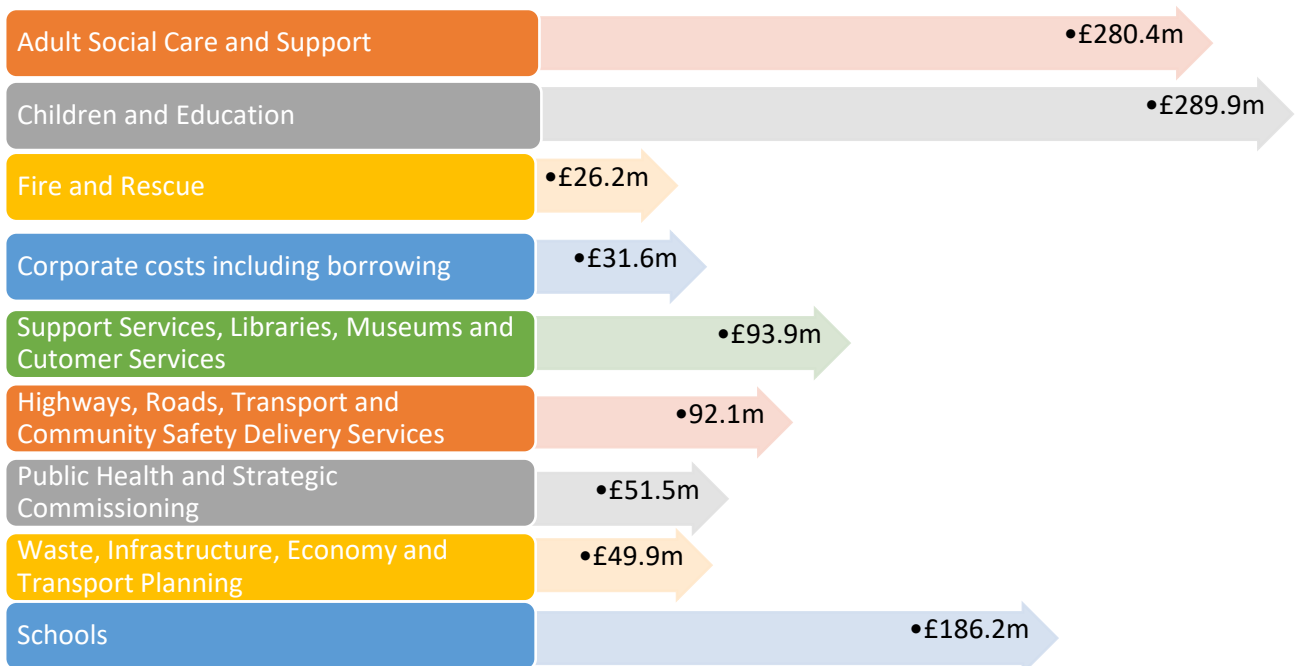
Grants	£429.7m
Council tax (inc. Adult Social Care Levy and deficit from previous years)	£362.9m
Other Income	£191.9m
Business rates	£88.7m



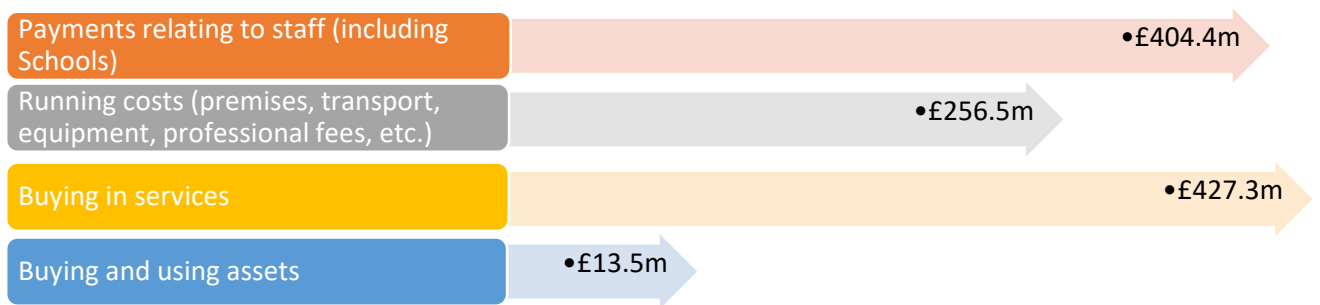
We spent £1,101.7m in 2023/24 on the various services we provide (including schools) and used £28.5m of one-off funding from our reserves to fund the difference between our income and spend.

The figures above exclude technical adjustments of £149.4m. Together these figures make up the gross expenditure of £1,251.1m shown in our Comprehensive Income and Expenditure Statement.

Revenue Spend by Service



Revenue Spend by Type



Revenue Underspends/Overspends

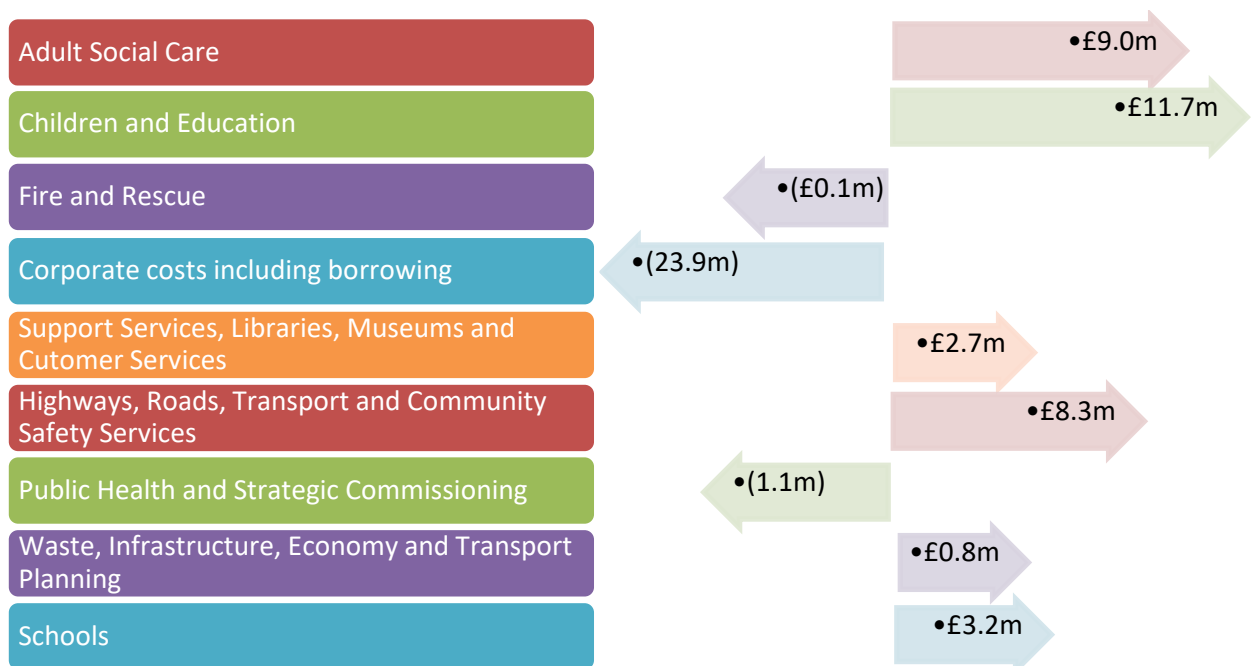
The net difference between our funding and expenditure for the year is £28.5m, through our Medium Term Financial Strategy we planned to use £16.0m of reserves at the start of the year.

Of the additional £12.5m used from reserves during the year:

- (£17.0m) was used to fund the residual net overspend on services at the end of the financial year;
- (£3.3m) was a reduction due to allocations to specific projects delivering the Council's ambitions;

- £12.5m was to increase our financial management reserves to take account of increasing risk arising from our operating environment;
- £4.9m was an increase in funds earmarked for schools;
- (£2.8m) was a decrease in funds held with our external partners; and
- (£6.8m) is the decrease in funds held for internal policy, risk reserves and available to use reserves.

The chart below shows the residual service variance after accounting for Investment Fund allocations, approved reserve movements, totalling £7.4m and also includes a maintained schools net overspend of £3.2m:



Capital spending and the value of our assets

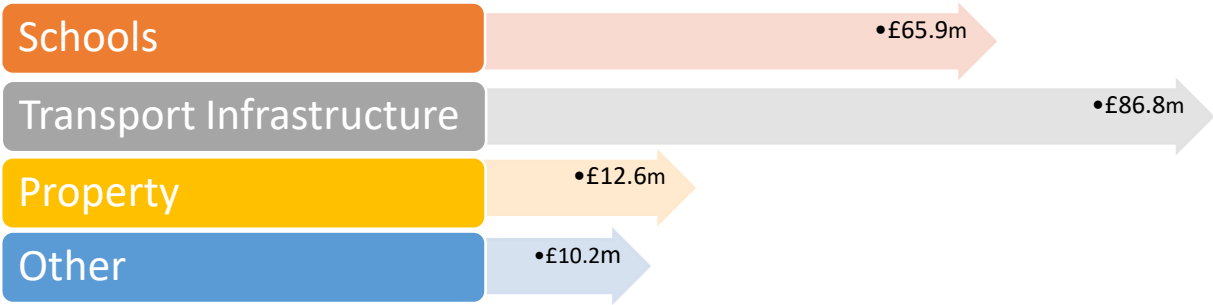
We spent £175.5m on the purchase and creation of assets in 2023/24 including £65.4m on assets owned by other parties and £11.0m on investment loans to our property and development company. Our initial estimate was £316.9m but in-year adjustments for additions (for example, to spend newly awarded grants), reductions or rescheduling brought our approved budget for 2023/24 down to £243.7m as at January 2024. Our capital spending was therefore £141.4m less than our original budget, and £68.2m less than the latest approved budget. This underspend was due to delays on individual projects. Most of this spending now is expected to be incurred in future years, with the budget for 2024/25 being £250.6m.

The value of our fixed assets has increased from £1,411.4m to £1,467.3m in 2023/24.

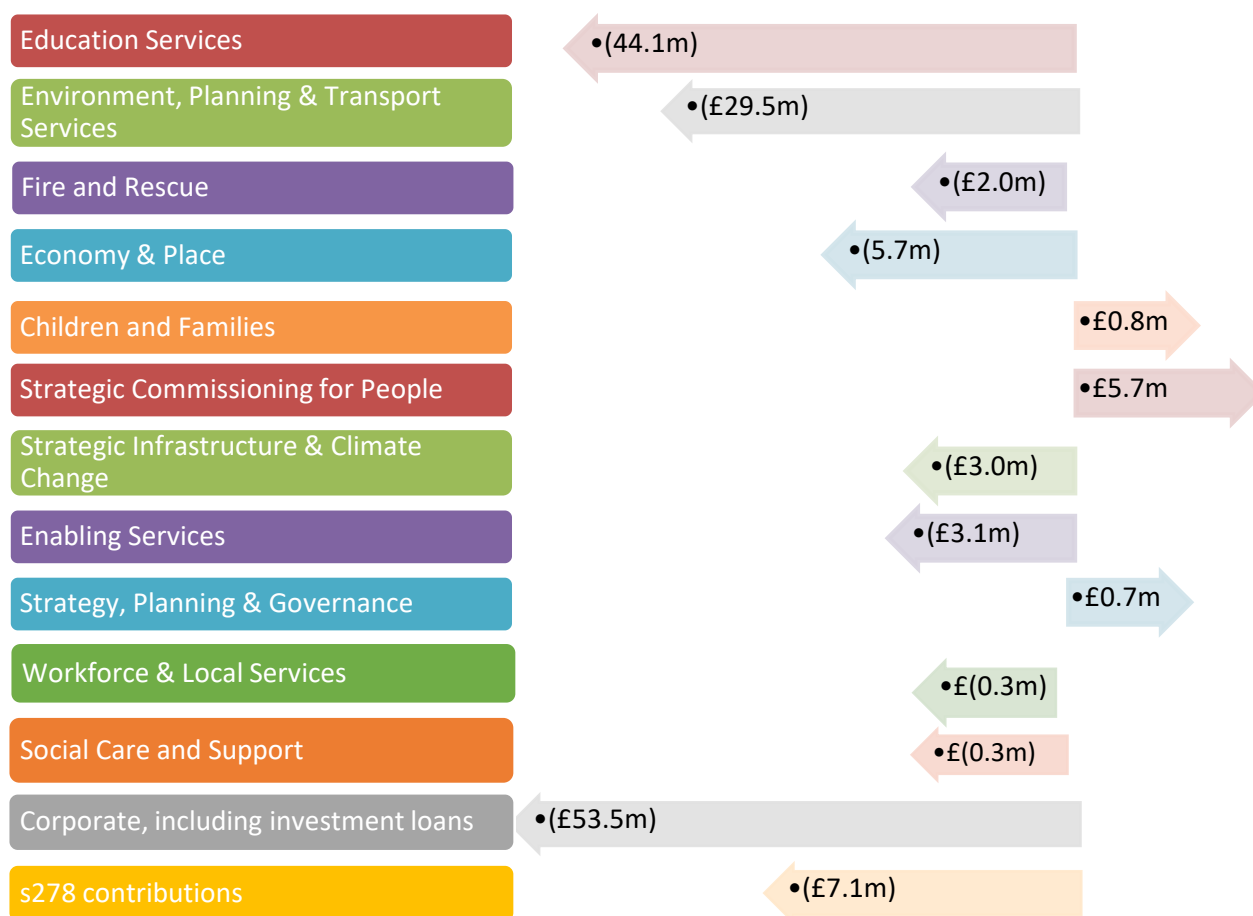
The main reasons for the £55.9m increase in the value of our assets are:

- £32.0m of assets disposed of mostly through schools transferring to Academy status;
- A spend of £99.1m increasing the value of our assets;
- A write-down of £59.8m to reflect our assets' usage by services; and
- A net increase in the value of our assets of £48.6m is a result of updated valuations to reflect market movements and usage changes.

Capital Spend by Service



Capital over/underspends compared to the budget at the start of the year



Savings and efficiencies

As part of the Medium-Term Financial Strategy the savings target set for the 2023/24 financial year was £15.158m. These savings were spread across a number of areas and delivered through better procurement, improvements in efficiency, increased income and delivering reductions in demand.

Some of the larger items were:

- £1.5m savings through managing the cost of externally commissioned care for adults;
- £1.4m saving by reducing the cost of children's social care including the increased

use of WCC homes, boarding schools and residential schools.

- £1.0m saving by reducing demand for adult social care support through early intervention, prevention and reablement; and
- £0.6m saving from the increase in the level of grant income and its more effective use to support the core activities in Children and Families.

84.75% of the saving target has been delivered during the year despite the ongoing challenge of the wider economic conditions.

Reserves

We planned to use £16.0m of our reserves to support the delivery of services in 2023/24. However, services spent £17.0m more than their cash-limited budget; when combined with further movements of reserves to deliver the Council's priorities the outcome was that our usable revenue reserves decreased overall by £28.5m (excluding funding set aside to offset our DSG deficit).

At 31 March 2024 our usable revenue reserves were therefore £194.5 million, of which £17.2

million was held by schools. We consider this to be a robust figure and allows us some flexibility to balance the challenges of meeting current and unknown future economic uncertainty alongside investment to improve our efficiency and the wider community economic recovery. We will continue to apply our Reserves Strategy which describes how and when these reserves should be used or added to. Based on our current Medium Term Financial Strategy it is anticipated that the level of revenue reserves will reduce to £170.9m by the end of 2028/29.

Borrowing and Investments

Whilst the Council's benchmark rate of return on investment in 2023/24 was 4.19%, our treasury management activity generated a higher average interest on investments of 4.45%. In line with the Treasury Management Strategy the Council has prioritised security, then liquidity and finally yield within its treasury management investments. Our

treasury management activity involved investing in banks, building societies and other local authorities, as well as through external fund managers operating cash, property and bond funds. Our debt outstanding was £279.4 million at 31 March 2024; and we were holding £379.0 million of cash, cash equivalents and investments.

Pensions

At 31 March 2024 our total pensions net liability was £285.1m, an increase of £29.2m over the year. The increase is largely attributable to the re-measurement of the net liability relating to the Local Government Pension Scheme to recognise

the changes in actuarial assumptions at the balance sheet date. This remains within the expected range and we are confident that this liability is well managed within the statutory arrangements.

Outlook

Pre-Existing Financial Challenges

The current Council Plan approved in February 2022 is supported by a 5-year Medium-Term Financial Strategy and reserves strategy that are updated annually. This gives greater alignment of the financial position and plans of the Council to the strategic priorities of thriving economy and places, sustainable futures and safe and healthy communities, as well as managing the risk inherent in providing a diverse range of services to our diverse communities funded by numerous income streams.

The finance strategy recognised a number of risks to be monitored, managed and where uncontrollable to be financially underwritten:

- The broader economic environment, such as the impacts of movement in inflation, housing growth, council tax base and interest

rates on our day-to-day costs, income and debt repayments;

- Sustained inflationary pressures and cost of living increases putting pressure on staff costs, recruitment and retention and impacting on service resilience;
- prolonged uncertainty around future Government about local government financing, including a new funding model for adult social care;
- dependence on locally collected Business Rates, placing greater importance on the need to maintain reserves to manage any volatility;
- the results (financial and social) from our commercial investment activities; and
- achieving sustainable delivery of Special Educational Needs services within the level of DSG funding provided by Government.

Inflation and the macroeconomic environment

Following the twin global shocks of the pandemic and Russian invasion of Ukraine, we are now experiencing a period of declining inflation and stagnating growth. Although inflation is currently falling more sharply than expected interest rates remain at the highest level in a decade. Inflationary pressures and interest rates have significantly impacted living standards. Economic forecasts remain volatile and uncertain.

Against this challenging backdrop we are expecting to experience continuing increase in

the demand for council services from the most vulnerable in our communities.

The current economic climate, inflationary pressures and rapidly changing demands may result in the need for some agility and flexibility in resource allocations and the prioritisation of our activity, while maintaining focus on the delivery of our priorities as set out in the Council Plan.

Major Developments

Two major developments that we brought forward in 2020/21 to support economic growth and Warwickshire's recovery post the Covid-19 Pandemic are in their fourth year of operation.

Warwickshire Property and Development Group (WPDG) is a local authority trading group set up to deliver our policy objective of creating jobs and more homes across Warwickshire. During 2023, the group completed its first development project and reported a profit before tax of £0.044m at the end of their financial year.

A joint venture partnership between WPDG, the Council and Countryside Partnerships PLC, Develop Warwickshire, was incorporated in December 2022 and a significant increase in activity is in train with material investment planned as a number of sites come forward for

development. The first development project is currently underway at Brookmill Meadows in North Warwickshire.

The Warwickshire Investment Fund was set up to provide access to finance, on a repayable basis, that helps businesses in Warwickshire start, grow and scale-up; helps businesses locate in the county; and leverages additional resources for the County through investment and support for key growth businesses.

The forecast level of demand for investment was reassessed during 2023/24 resulting in the investment fund being reduced from £104m to £64.4m over the next three years and at the end of the 2023/24 financial year £20.6m of lending had been approved by Cabinet.

Basis of preparation and presentation

In considering this report, readers should note that the comparison of spend against service budgets which we use internally to assess our financial performance is not directly comparable to the cost of services disclosed in the Statement of Accounts. This is mainly due to the accounting adjustments required to comply with reporting requirements, which do not impact on the

amount of our spending to be met by local taxpayers, which is central to our in-year monitoring of our financial performance. The key differences relate to the way in which we account for items such as depreciation, impairment, reserves, provisions and carry-forwards. Each of these items is explained further in our accounting policies or the glossary.

Core Financial Statements

These comprise the four key pieces of information in the Statement of Accounts

Comprehensive Income and Expenditure Statement	Balance Sheet
<p>An accounting deficit of £29.9m for 2023/24 has been reported; the outturn position is an £17.0m deficit.</p> <p><i>This statement shows the accounting cost in the year of providing services rather than the amount to be funded from taxation. The main factors in the move are capital depreciation, revaluation and pensions charges.</i></p>	<p>A reduction of £17.4m in County Council's net assets as at 31 March 2024.</p> <p><i>The balance sheet shows the value of the assets and liabilities recognised by the County Council. At 31 March 2024 the County Council's net worth was £1,120.5m.</i></p>
Cash Flow Statement	Movement in Reserves Statement
<p>A net cash outflow of £79.0m in 2023/24 in cash or cash equivalents.</p> <p><i>This statement summarises the cash that has been paid to us and which we have paid to other organisations and individuals.</i></p>	<p>A decrease of £33.2m in the County Council's usable reserves, made up of a decrease of £11.4m in revenue reserves and £21.8m in capital reserves.</p> <p><i>This statement shows the movement in year on the different reserves held by the Council, analysed into usable reserves (i.e. those that can be used to fund spending or reduce taxation) and other reserves.</i></p>

Statement of accounting policies

This summarises the accounting rules and conventions we have used in preparing these financial statements. There have been no changes to our accounting policies during the year.

Other sections of this Document

As well as the Statement of Accounts for the County Council, this document includes separate sections for the Annual Governance Statement and the Statement of Accounts for the Warwickshire Pension Fund.

The Annual Governance Statement describes the Council's Governance Framework and system of internal control. It includes a review of the effectiveness of this system in the past year and identifies key risks for the Council to manage in

Notes to the core financial statements

The notes include more detail to support the information contained in the core financial statements as well as information on critical judgements and assumptions applied in the production of the accounts.

the future. The Annual Governance Statement also covers the Warwickshire Pension Fund.

The Warwickshire Pension Fund's Statement of Accounts describes the Fund's financial position and performance in 2023/24. While the County Council administers the Fund, the Fund's accounts represent its activities on behalf of all its member organisations. Further information about the Fund can be found in Note 1 of that section.



Rob Powell
Executive Director for Resources

