

Resources and Fire & Rescue Overview & Scrutiny Committee

3rd December 2015

One Organisational Plan Quarter 2 (Year 2) Progress Report: April 2015 – September 2015

Recommendation

That the Resources and Fire & Rescue Overview and Scrutiny Committee:-

- Considers the key messages set out in the report and asks questions in relation to its content and make recommendations as considered appropriate.
- Review and comment on the new tailored format in preparation for Qtr. 3 reporting.

1. Introduction

1.1. The One Organisational Plan Progress Report for April – September 2015 was considered by Cabinet on 12th November 2015. This report presents the overall key messages, and provides specific commentary in relation to each of the area within the OOP that come under the remit of the committee in a new tailored format.

2. Progress and Key Messages on the Overall Delivery of the One Organisational Plan

- 2.1 Against a very difficult landscape the authority continues to deliver on most of its priority outcomes, whilst successfully managing key risks.
- 2.2 Whilst a net overspend is being reported on the revenue budget plans are being developed to ensure, overall, the authority comes in under budget by the end of the financial year.
- 2.3 As a result of these actions the financial standing of the authority and the forecast of resources available to deliver the OOP Outcome Framework remain robust
- 2.4 The current political volatility in the organisation is beginning to impact on delivery of our objectives, and as such, a number of the OOP decisions are being slowed down by political








opposition to budget decisions which framed the OOP.

- 2.5 A small net overspend of £0.3 million is being forecast on the revenue budget for the year. This is a reduced overspend compared to the £3.5 million forecast at Quarter 1 and reflects the progress of efforts being made to ensure, overall, the authority comes in under budget by the end of the financial year.
- 2.6 The following section of the report highlights the overall key messages in relation to the delivery of the One Organisational Plan and covers those areas relevant to the remit of this Committee. All the information has been taken from the Cabinet Report and is available via the Member Dashboard.





3. One Organisational Plan: Outcomes Framework

3.1 The OOP Outcome Framework contains 5 specific key outcomes. At the midyear position, we are reporting that two out of five are within tolerance to be delivered, with three being red and the overall status of the OOP is red. Details of which are presented in the table below

Outcome	Qtr. 1	Mid-Year	Direction of Travel
 Our communities & individuals are safe from harm & are able to remain independent for longer	Amber	Amber	↔
 The health & wellbeing of all in Warwickshire is protected	Amber	Red	↓
 Our economy is vibrant; residents have access to jobs, training & skills development	Amber	Red	↓
 Warwickshire's communities are supported by excellent communications & transport infrastructure	Green	Amber	↓
 Resources & services are targeted effectively & efficiently whether delivered by the local authority, commissioned or delivered in partnership	Amber	Red	↓

3.2 Resources and Fire & Rescue: Outcome Framework




3.3 The following One Organisational Plan Outcomes come under the specific remit of the Resources and Fire & Rescue Overview & Scrutiny Committee. Performance at the end of the Mid-Year has fallen slightly when compared to the position at the end of Qtr.1 and is a reflection of the overall One Organisational Plan position as detailed above.

	Outcome	Qtr1	Mid-Year	Direction of Travel
	Our communities & individuals are safe from harm & are able to remain independent for longer	Amber	Amber	↔
	The health & wellbeing of all in Warwickshire is protected	Green	Amber	↓
	Warwickshire's communities are supported by excellent communications & transport infrastructure	Green	Green	↔
	Resources & services are targeted effectively & efficiently whether delivered by the local authority, commissioned or delivered in partnership	Amber	Red	↓











3.4 Whilst performance appears to have fallen over the first 6 months of 2015/16, it should be noted that we are able to report on a number of performance measures that were previously unavailable at the end of Qtr. 1 and this will have had an impact on the overall results for each of the One Organisational Plan Outcomes.

3.5 The table overleaf, presents the Key Performance Measures that support the delivery of the OOP Outcomes that come under the remit of this committee that are reporting a red status at the end of September. Specific commentary and Actions to be taken have been provided by the relevant Business Unit and are also contained in the supporting background information provided as part of the Cabinet report









OOP Outcome: Our communities & individuals are safe and protected from harm and are able to remain independent for longer

Key Business Measure	Target	Qtr 1 Forecast	Mid-Year Forecast	Direction of Travel	Status	Commentary	Action to be taken
% RDS appliance availability	85	75	73		Red	<ul style="list-style-type: none"> Attracting and maintaining RDS personnel continues to be a challenge at both a national and a local level. A recent successful recruitment campaign has resulted in a number of new recruits for key stations, at key times, across the County. When these staff are trained and fully operational there will be an improvement in RDS availability. 	<ul style="list-style-type: none"> Further targeted recruitment campaigns. Close management of availability by Watch Commanders, Fire Control and Station Commanders. Performance monitoring through the fortnightly and monthly performance review meetings. Uniformed support staff are working from flexible locations to boost RDS availability.
% of Home Fire Safety Checks delivered to vulnerable and targeted persons	85	75	75		Red	<ul style="list-style-type: none"> Due to new legislation regarding landlords needing to ensure all privately rented accommodation has a working smoke alarm, a large number of HFSC's have been conducted but they may not be to groups that fit our targeted profile. Checks conducted in these households will continue until all DCLG freely supplied alarms have been fitted. 	<ul style="list-style-type: none"> Monitoring where and to whom the HFSC's are being conducted. Analysis as to why some HFSC's are being conducted to non-target groups.
No. of incidents attended	2789	3200	2800		Red	<ul style="list-style-type: none"> The overall number of incidents is forecast to end the year at slightly over the target. This is due to a rise in the number of deliberate secondary fires, where no property or vehicle is involved, experienced across the County over the period of early summer when there was a hot, dry weather spell 	<ul style="list-style-type: none"> Incident activity is actively monitored through the fortnightly and monthly performance meetings, by Station Commanders and the Arson Reduction Manager using the dashboard. Proactive targeted campaign planning, such as B.I.K.E, around historically busy periods such as bonfire night are ongoing as is monitoring on new trends.



OOP Outcomes: Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership

Key Business Measure	Target	Qtr 1 Forecast	Mid-Year Forecast	Direction of Travel	Status	Commentary	Action to be taken
INFORMATION ASSETS							
Net variation to budget	0	2.67	0.02		Red	<ul style="list-style-type: none"> Currently forecasting an overspend of 0.02% i.e £2,146. This is actually made up of Schools service under recovery on £385k surplus target, and underspend in wider IA service to cover this. Plan to reduce overall position to zero over the next quarters. 	
% staff satisfied with the council as an employer	69.3	71.3	62.8		Red	<ul style="list-style-type: none"> These are based on the results of the pulse survey. Disappointed to miss target. Significant variations in teams score will particularly review lower scores and develop action plan to improve. 	
% increase in staff engagement	70.1	70.1	63.6		Red		
CUSTOMER SERVICE							
Standards for complaint handling are met	1	0	0		Red	<ul style="list-style-type: none"> Timescale compliance remains below standard in social care services 	<ul style="list-style-type: none"> Work is being done with services to address the noncompliance
The Customer Journey programme is delivered on time and to budget	100	100	50		Red	<ul style="list-style-type: none"> Timetable has slipped due to resourcing and staff availability at service level 	
% increase in staff engagement	70.1	70.1	63.5		Red	<ul style="list-style-type: none"> This is based on the pulse survey results. 	<ul style="list-style-type: none"> Dialogue and workshops are being undertaken with staff.
% staff satisfied with the council as an employer	71	71	67.3		Red		
Net variation to budget	0	0.01	-0.24		Red		
FINANCE							
Net variation to budget -	-2	-2.74	-4.02		Red		
The Capital Programme is delivered on time and to budget (Educational & Corporate Programmes)	100	75	75		Red	<ul style="list-style-type: none"> This is the responsibility of individual capital project service managers – the responsibility of the Finance BU is to highlight major variations and suggest where remedial action needs to be taken 	

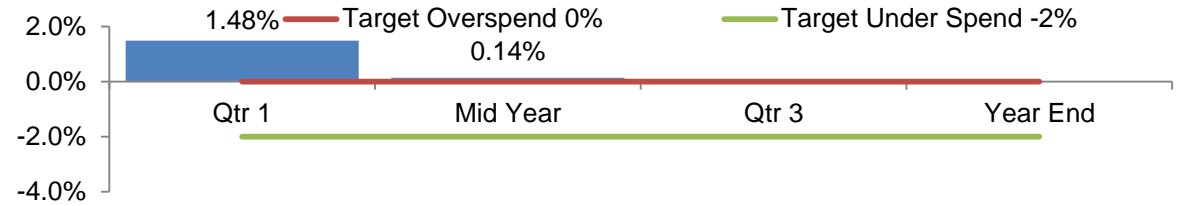
OOP Outcomes: Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership

Key Business Measure	Target	Qtr 1 Forecast	Mid-Year Forecast	Direction of Travel	Status	Commentary	Action to be taken
HUMAN RESOURCES & ORGANISATIONAL DEVELOPMENT							
% increase in staff engagement	84.3	84.3	73.9		Red	<ul style="list-style-type: none"> We have seen a slight dip in score. We are analysing the results. There score remains high in relation to our benchmark group. The HRBPs are working with managers to identify issues and develop plans to address these 	
Net variation to budget	-2	-3.9	-2.76		Red	<ul style="list-style-type: none"> £ variance: -£142,140. Variances held against savings 	
LAW & GOVERNANCE							
Number of adverse decisions from legal challenges is low	3	1	1		Red	<ul style="list-style-type: none"> This reports on the non- LGO challenges which have been successful. This is the FOI appeal case in relation to a vexatious request, where the decision was subsequently overturned on appeal by the requester. 	
Net variation to budget	-2	19.48	-7.51		Red	<ul style="list-style-type: none"> £ variance: -£58,599 	
PHYSICAL ASSETS							
% staff satisfied with the council as an employer	75.3	75.3	67.9		Red	<ul style="list-style-type: none"> Exploring ways to address staff satisfaction, motivation, communication and morale, with the objective of improving the results in time for next year's survey. 	
% increase in staff engagement	72.8	73	66		Red		
SERVICE IMPROVEMENT & CHANGE MANAGEMENT							
Net variation to budget - Percentage	0	7.2	8.6		Red	<ul style="list-style-type: none"> £ variance: £176,797 SI&CM figures include £205k Resources Transformation activity which is to be funded from Reserves. SI&CM Core variance to budget is 1.3% favourable. 	
% increase in staff engagement	81.8	81.8	75.4		Red	<ul style="list-style-type: none"> The results of the Pulse survey are being considered by the management team and action will be taken to address the main issues. Even though SICM has missed its yearend target, the staff engagement score compares favourably to the overall RG and WCC score 	<ul style="list-style-type: none"> Action will be taken by all managers to address the results of the survey and to take positive steps to improve the staff engagement score

OOP Outcomes: Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership

Key Business Measure	Target	Qtr 1 Forecast	Mid-Year Forecast	Direction of Travel	Status	Commentary	Action to be taken
FIRE AND RESCUE							
Capital Programme - % Variance to Budget	0	0	-19		Red	<ul style="list-style-type: none"> More accurate costings being received for Future Estates Project 	
Average sick days per FTE	6	6	7		Red	<ul style="list-style-type: none"> Absence may increase during winter months, therefore target of 6 days per FTE likely to be exceeded. Long term cases currently being managed. 	<ul style="list-style-type: none"> Monthly absence management meetings and 6 weekly meetings with Station Commanders to action absence. Case conferences for longer term absences to assess likely return to work dates or alternative action that needs to be taken.

4. One Organisational Plan: Revenue: Overall Position

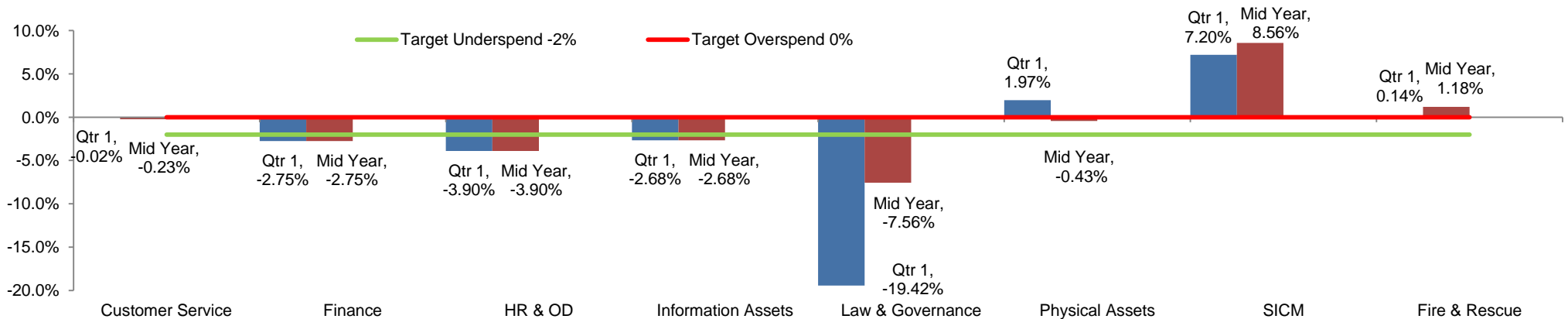


4.1 The approved net revenue budget for 2015/16 is £238.413 million. At the mid-year point, an overspend of £0.328 million or 0.14% is forecast compared to the approved net revenue budget. Whilst this is an improvement on the Quarter 1 position when an overspend of £3.502 million or 1.48% was forecast, it still remains above the 0% overspend target.

4.2 At Quarter 2 seven Business Units are forecasting that they will overspend and a further seven are forecasting underspends greater than the -2% tolerance agreed. Since Quarter 1 four Business Units (Economic Growth, Localities and Community Safety, Public Health & Physical Assets) have moved from a forecast overspend to a forecast underspend. In addition two Business Units (Early Help and Targeted Support & Information Assets) have moved from a forecast underspend to a forecast overspend. The remaining thirteen Business Units are forecasting the same direction of their financial position in both Quarter 1 and Quarter 2

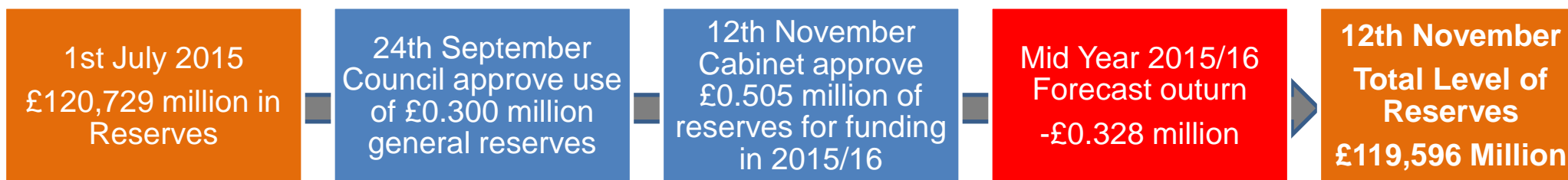
4.3 Resources and Fire & Rescue Revenue Position

4.4 The Council has set the following performance threshold in relation to revenue spend. A tolerance has been set of zero overspend and no more than a 2% underspend. Overall, for Resources and Fire & Rescue, there has been a fall in the overall direction of travel in delivering services within budget at the mid-year point when compared to Qtr. 1.



- 4.5 The following financial commentary is in relation to those Business Units who are either reporting a year end forecast overspend or underspend in excess of 2% against the budget allocation for 2015/16.
- 4.6 Finance are forecasting an underspend of £0.169 million is £0.055 million more than was forecast at Quarter 1. The increase is mainly due to planned delays in the recruitment to vacant posts.
- 4.7 Law & Governance are forecasting an underspend of £0.059 million is £0.103 million less than was forecast at Quarter 1.
- 4.8 Human Resources & Organisational Development are forecasting an underspend of £0.142 million is £0.058 million less than was forecast at Quarter 1. The decrease in the forecast is due to recruitment to vacant posts over the last few months
- 4.9 Service Improvement & Change Management are forecasting an overspend of £0.176 million is a slight increase from the Quarter 1 forecast. This is as a result of a £0.205 million planned overspend to deliver Resources Group transformation offset by smaller underspends across the rest of the Business Unit. It is proposed that the spending on transformation will be met from a transfer from the Resources Group Transformation Fund.
- 4.10 Fire and Rescue are forecasting an overspend is £0.232 million, an increase of £0.205 million since Quarter 1. This overspend is due to significant progress on the Fire Control Project since Quarter 1 and the Business Unit is requested to draw down from the reserve, earmarked for this purpose, to cover this overspend in 2015/16.

5. One Organisational Plan: Use of Reserves



- 5.1 At 1 July 2015 the authority held reserves of £120.729 million. On 24 September Council approved the use of £0.300 of general reserves to reduce the Supporting People savings in 2015/16. Also the proposed movements out of reserves of (£0.505 million) combined with the effect of the forecast outturn (£0.328 million) would decrease the total level of reserves to £119.596 million.
- 5.2 Of this funding about half is held for specific purposes and cannot be used to support the budget more generally. The remaining reserves are held to cover known financial risks or to cash-flow timing differences between when spend is incurred and savings are delivered. Financially this continues to place us in a strong position as we face the challenge of delivering the 2014-18 Plan Business Units sought and were given Cabinet's approval on the 12th November to put £0.657 million into reserves to support the delivery of services in future years.

6. Resources and Fire & Rescue: Use of Reserves:

- 6.1 On the 12th November, Cabinet approved the proposal by Fire & Rescue to put £0.100 million into reserves to support operational training in future years.
- 6.2 On the 12th November, Cabinet also approved the proposal by Fire & Rescue to draw down from reserves £0.430 million to fund expenditure on the Fire Control Project in 2015/16

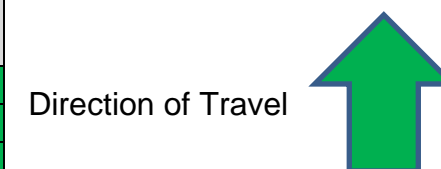
One Organisational Plan: Delivery of Year 2 (2015/16) Savings

7.1 Overall, the Council is forecasting that in 2015/16, it will exceed the overall savings target for Year 2 of the 4 year savings plan.



7.2 Resources and Fire & Rescue: Delivery of Year 2 (2015/16) Savings

Business Unit	2015/16 Target (£,000)	2015/16 Qtr 1 Forecast (£,000)	2015/16 Mid-Year Actual to date (£,000)	2015/16 Mid-Year Forecast (£,000)
Information Assets	1,067	1,067	1,067	1,067
Customer Service	650	650	650	650
Finance	501	501	251	501
Law & Governance	57	57	41	57
Physical Assets	1,092	1,092	1,012	1,092
Human Res & Org Development	561	563 A0	296	561
Service Improve' & Change Mgt	540	540	540	540
Fire and Rescue	1,129	1077	842	1,077



7.3 Fire and Rescue are reporting that the savings target for 2015/16 for the proposal FRS – B: Reduction of Fire Control Staff as part of a joint control arrangement with Northamptonshire Fire & Rescue Service is unachievable during this financial year.

OOP Reference as per Service Estimate Report	Savings Proposal Title	2015/16			2016/17		2017/18		Reason for financial variation and any associated management action
		Target £'000	Actual to Date £'000	Forecast Outturn £'000	Target £'000	Forecast Outturn £'000	Target £'000	Forecast Outturn £'000	
OOP/FRS-B	Reduction of fire control staff as part of a joint control arrangement with Northamptonshire Fire and Rescue Service	52	0	0 (Red)	101	101	101	101	Control programme implementation now scheduled for early 2016/17. Shortfall in 2015/16 will be mitigated by one-off funding and underspends elsewhere.

8. One Organisational Plan: Capital Spend & Capital Slippage



8.1 Managers' forecasts indicate that £8.829 million of the planned spend for 2015/16 is now expected to slip into future years. This brings the total slippage in the first half of the financial year to £20.917 million

8.2 Resources and Fire & Rescue: Capital Spend & Capital Slippage:

Business Unit	All current and future years approved budget (£,000)	New approved funding/schemes (£,000)	All current and future years forecast Qtr 1 (£,000)	All current and future years forecast Mid-Year (£,000)	Slippage from 2015/16 into future years Qtr 1 (£,000)	Slippage from 2015/16 into future years Mid-Year (£,000)
Information Assets	17,143	8,960	26,003	26,003	2,591 (Red)	0 (Green)
Customer Service	3,654	0	3,654	3,654	13 (Green)	273 (Red)
Finance	0	0	0	0	0	0
Physical Assets	39,227	171	39,398	39,398	1 (Green)	667 (Green)
Fire and Rescue	12,295	(488)	11,807	11,807	2,435 (Red)	145 (Green)

Direction of Travel: Capital Spend



Direction of Travel: Capital Slippage



Capital Slippage

8.3 Customer Service is reporting a slippage of £0.273 million. This has been transferred into 2016/17 for the Stratford Library project. This is because the nature of the project requires time to get necessary permissions.

8.4 Fire and Rescue are reporting a slippage of £0.145 million which relates to a delay in the new Training Centre project as a result of issues raised at initial planning meetings.

8.5 Physical Assets are reporting slippage of £0.667 million. This is primarily due to delays on the refurbishment of Old Shire Hall of £0.400 million. This is due to a protracted tender and procurement process. The remainder of the slippage is over a number of schemes.

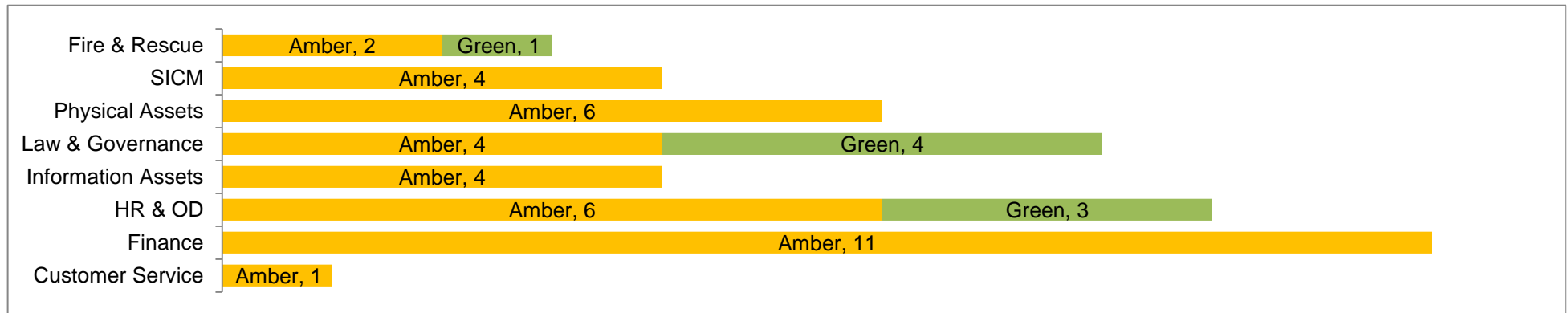
9. One Organisational Plan: Management of Strategic Risks

<i>Net Risk Level</i>	Gross Risk Level	Net Risk Level
Net Amber Risks		
R0840 Continuing pressure on Adult Social Services resources	16 (R)	9 (A)
R0842 Loss or corruption of personal or protected data held by the Council	12 (R)	9 (A)
R0843 C&W LEP and City Deal arrangements, fail to achieve optimum funding levels and economic benefits	12 (R)	9 (A)
R0844 Sustaining risk critical fire and rescue support functions during times of austerity	12 (R)	9 (A)
R0845 Development of Business Continuity Plans and procedures	12 (R)	9 (A)
R0846 Ensuring sufficient number of school places across the county	12 (R)	9 (A)
R0847 Inability to manage or influence the impact of HS2 on Warwickshire	16 (R)	9 (A)
R0839 Government policies, new legislation and sustained austerity measures present immediate challenges and further significant	16 (R)	8 (A)
Net Red Risk		
R0841 Safeguarding Children & Vulnerable Adults in our community	16 (R)	12 (R)

- 9.1 Overall there are currently 10 strategic risks on the County Council's Risk Register, 9 of which are reporting an overall net risk level of Amber. This position has remained unchanged during this financial year.
- 9.2 There is only one Strategic Risk that remains set at a Net Red Risk and that is "Safeguarding Children and Vulnerable Adults in our community and the County Council's inability to take action to avoid abuse, injury or death". This risk has been set at a constant red risk level because of the nature of the risk
- 9.3 There are no strategic red net risks for Resources or Fire & Rescue.

9.4 Resources and Fire & Rescue: Management of Risk

9.5 For those Business Units that come under the remit of this committee, a further 46 risks are monitored on a monthly basis. None of which are red



10. One Organisational Plan: Management of HR

10.1 The successful delivery of the One Organisational Plan, is also dependent on the staff that work for the County Council to deliver it. The following key messages were highlighted in the OOP Mid Year Progress Report to Cabinet on the 12th November. Overall Management of HR, does not come under the remit of this committee

10.2 Managing absence remains a priority for WCC both in terms of the number of working days lost and the impact this has on our ability to deliver services as well as the financial cost of sickness to the organisation.

10.3 At the mid year point, absence levels are reported at an average of 4.44 days per person (9.92 on the rolling year) which compares to this quarter last year when they were reported at an average of 4.42 days (9.47 rolling year) per person. This also compares to 2.22 days in quarter 1. Reports show that the three top reasons for absence remain stress, musculo-skeletal and post-operative.

10.4 As we continue to move through significant organisational change, the total number of people employed by the County Council stands at 5215 at the end of the Mid Year, which represents a 2.2% reduction since Qtr1.

10.5 The age profile of our workforce remains stable with an average age of 45.6 years. Efforts to increase the younger representation of the workforce continues and since the beginning of the financial year, there have been 64 apprentices participating in the WCC Apprenticeship Programme.

10.6 Turnover remains steady with resignation representing the greatest reason for leaving. However, this quarter over 100 WCC employees have transferred out of the Complex Needs service within the People Group via TUPE.

11. Supporting Papers

11.1 A copy of the full report that went to Cabinet on the 12th November is available via the following link: [-OOP Mid-Year Progress Report Cabinet 12th Nov'15](#) and the supporting Business Background Information relevant to the remit of this Committee, which also went to Cabinet on 12th November is available in each of the Group Rooms.

12. Background Papers

None

Author:	Elizabeth Abbott, Business Partner, Planning, Performance & Business Improvement
Head of Service	Tricia Morrison, Acting Head of Service Improvement & Change Management
	Kushal Birla, Head of Customer Service & Access
	John Betts, Head of Finance
	Sue Evans, Head of Human Resources & Organisational Development
	Tonino Cuiffini, Head of Information Assets
	Sarah Duxbury, Head of Law & Governance
	Steve Smith, Head of Physical Assets
	Gary Phillips, Deputy Chief Fire Officer
Strategic Director	David Carter, Strategic Director, Resources Group
	Andy Hickmott, Chief Fire Officer
Portfolio Holder	Cllr K Kaur
	Cllr J Horner