

Resources and Fire & Rescue Overview and Scrutiny Committee

15 September 2016

Agenda

The Resources and Fire & Rescue Overview and Scrutiny Committee will meet in **Committee Room 2, Shire Hall, Warwick on Thursday 15 September 2016 at 2 p.m.**

Please note that this meeting will be filmed for live broadcast on the internet. Generally, the public gallery is not filmed, but by entering the meeting room and using the public seating area you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. All recording will be undertaken in accordance with the Council's protocol on filming and use of social media.

The agenda will be:

1. General

(1) Apologies

(2) Members' Disclosures of Pecuniary and Non-Pecuniary Interests

Members are required to register their disclosable pecuniary interests within 28 days of their election or appointment to the Council. A member attending a meeting where a matter arises in which s/he has a disclosable pecuniary interest must (unless s/he has a dispensation):

- Declare the interest if s/he has not already registered it
- Not participate in any discussion or vote
- Must leave the meeting room until the matter has been dealt with (Standing Order 43).
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

Non-pecuniary interests must be declared in accordance with the Code of Conduct. These should be declared at the commencement of the meeting.

All public papers are available at www.warwickshire.gov.uk/cmis

(3) Minutes of the meeting of the Resources and Fire & Rescue Overview and Scrutiny Committee held on 13 July 2016

2. Public Question Time

Up to 30 minutes of the meeting is available for members of the public to ask questions on any matters relevant to the business of the Overview and Scrutiny Committee. Questioners may ask two questions and can speak for up to three minutes each. To be sure of receiving an answer to an appropriate question, please contact Helen Barnsley 5 working days before the meeting. Otherwise, please arrive at least 15 minutes before the start of the meeting and ensure that Council representatives are aware of the matter on which you wish to speak.

3. Questions to the Portfolio Holders relevant to the Overview and Scrutiny Committee

Up to 30 minutes of the meeting is available for the Committee to put questions to the Leader and Portfolio Holders on any matters relevant to the remit of the Overview and Scrutiny Committee.

4. Work Programme 2016/17

To consider the Committee's proposed Work Programme and future areas of scrutiny activity.

5. One Organisational Plan Outturn 2015/16

One Organisational Plan performance report for the year ending 31 March 2016

6. One Organisational Plan Performance Report – Quarter One 2016/17

One Organisational Plan performance report for the first quarter of 2016/17

7. Treasury Management Outturn 2015/16

Treasury performance report for the year ending 31 March 2016

8. Verbal Update on the Warwickshire Forum

An update regarding the creation of a Warwickshire Forum to be set up in order to agree an approach to ensuring that all asset lists are published.

9 Urgent Matters

At the discretion of the Chair, items may be raised which are considered urgent (please notify Democratic Services in advance of the meeting).

The next meeting of the committee has been scheduled for Wednesday 14 December 2016, commencing at 2:00pm in Committee Room 2.

Jim Graham
Chief Executive
Shire Hall
Warwick

Resources and Fire and Rescue Overview and Scrutiny Committee
Membership

Councillors: John Appleton, Nicola Davies, Neil Dirveiks, Peter Fowler, Brian Hawkes, Phillip Morris-Jones (Vice Chair), Bernard Kirton, Keith Kondakor, Chris Saint and Matt Western (Chair).

Portfolio Holders:-

Councillor Izzi Seccombe – Leader of the Council

Councillor Alan Cockburn – Deputy Leader

Councillor Kam Kaur– Customers

Councillor John Horner – Community Safety

For queries regarding this agenda, please contact:

Helen Barnsley, Democratic Services Officer

Tel: 01926 412323, e-mail: helenbarnsley@warwickshire.gov.uk

**Minutes of the meeting of the
Resources and Fire & Rescue Overview and Scrutiny Committee
held on 13 July 2016**

Present:

Members of the Committee

Councillors John Appleton, Nicola Davies, Neil Dirveiks, Peter Fowler, Brian Hawkes, Bernard Kirton, Phillip Morris-Jones (Vice Chair) Chris Saint and Matt Western (Chair)

Other County Councillors

John Horner, Portfolio Holder – Community Safety
Alan Cockburn – Portfolio Holder – Finance and Property

Officers

Rachel Barnes - Business Transformation Manager
Helen Barnsley, Democratic Services Officer
David Carter, Strategic Director, Resources Group
Josephine Millar - Project Manager (OOP Delivery/Corporate Transformation)
Tricia Morrison – Head of Service
Rob Moyney – Deputy Chief Fire Officer
Steve Smith - Head of Physical Assets

1. General

(1) Apologies

Councillor Keith Kondakor

(2) Members' Disclosures of Pecuniary and Non-Pecuniary Interests

None

(3) Minutes of the meetings held on 17 May 2016 and 18 May 2016

The Committee agreed that the minutes of the meetings held on 17 May 2016 be signed as a correct record.

The Committee agreed that the minutes of the meeting held on 18 May 2016 be signed as a correct record; with the following amendments –

- Item 7 (page 5). "The fire service *will support* the development of the business case created by the PCC."
- Item 7 (page 5). It was confirmed that the consultation mentioned is a government led consultation.

Matters Arising

None

2. Public Question Time

There were no public questions received or presented at the meeting.

3. Questions to Cabinet Portfolio Holders

There were no questions presented to Cabinet Portfolio Holders at the meeting.

The Committee noted that the briefing note that had been requested regarding Pupil Premium and issues with the IT system and processes was still outstanding. It was agreed that this would be chased by Helen Barnsley, Democratic Services Officer, in order to be circulated before the next Committee meeting on 15 September 2016.

4. Work Programme 2016/17

It was noted by members that the quarterly One Organisational Plan (OOP) report had been deferred until the next meeting to be held on 15 September.

Clarification was given regarding the issue of Business Rates. No further information was likely to be available until after the government review. Members of the Committee agreed to add this matter to the agenda of the September meeting for further discussions.

Councillor John Appleton sought reassurances regarding IT issues with the new Multi Agency Safeguarding Hub (MASH). David Carter, Strategic Director, Resources Group, confirmed that the MASH had launched successfully. The current system was working well but would be subject to continual review and improvement. There would be a review to look at further integration with the Police IT system but there are challenges around the high level of security involved.

With regards to Section 106 monies from developments outside Warwickshire, it was confirmed that it is desirable that the County Council received monies from cross-border developments in areas likely to be affected. It is vital that relevant Portfolio Holders are aware of developments and are holding discussions with other authorities.

Steve Smith, Head of Physical Assets stated that he felt it was important that Warwickshire County Council is consulted by neighbouring authorities and that cross border working on large developments is in place.

Councillor Peter Fowler commended the "Fatal Four" road safety presentation, for all councillors. . Rob Moyney, Deputy Chief Fire Officer, agreed that a shortened version of the presentation would be made available for all Councillors to watch after the next meeting of the full Council – July 19 2016.

Resolved

The Committee:

- 1) Agrees the updated 2015-16 Work Programme and makes any additional comments or changes, as required; and

2) Notes the scheduled future meeting dates.

5. Fire & Rescue Service Peer Review and Transformation Presentation

Rachel Barnes, Business Transformation Manager at Warwickshire County Council, delivered a presentation to members regarding the Warwickshire Fire and Rescue Service (WFRS) Transformation Plan; concentrating on the background to the plan, the current status and what happens next. It was noted that the consultation exercise had revealed a strong desire to protect front line services and had resulted in a change to the original plans.

Ten projects that have already been completed; they include a change in Response Commander roles, a new management structure and a new response point at Gaydon in the south of the County. There has also been a £100k saving in the Prevention and Protection programme.

The benefits of the transformation plan include meeting the target for financial savings, meeting response targets and an improvement in recruitment. There has also been a decrease in recorded sickness absence.

Members of the Committee raised concerns regarding the purchase of equipment from outside the UK. It was confirmed that a procurement process was followed and that the best value for money was always sought. This was not always from the UK. Rob Moyney, Deputy Chief Fire Officer, stated that investigations would be carried out into whether or not UK companies are given any feedback as to why they were not successful and a greater understanding would be sought as to why the companies were not making themselves the best option. The Chair confirmed that clients and suppliers needed to work together and develop products accordingly to keep business within the UK and that Warwickshire County Council and WFRS should be providing feedback directly to companies such as Dennis Eagle in this case.

Regarding the £100k savings from the Prevention and Protection Programme, members were reassured that the majority of savings had arisen from a reduction in managers' posts and that front line services had been protected. Warwickshire has remained a top performer in the reduction of house fires.

Members also noted that the new response point in Gaydon had been made possible due to a partnership with Aston Martin who had provided the land for the facility free of charge; and that a peppercorn rent was paid. It was noted that a capital grant had been received from government. The location would provide easy access to the M40, Gaydon and Lighthorne which were areas that had struggled to meet the ten minute respond time. The new response point would also provide a better level of service for any future residential growth.

Following a question from members regarding the new Day Crewing Plus (DCP) staffing that has been put in place in several locations, it was confirmed that DCP is limited to certain sites and that peak times were taken into consideration. Following the introduction of DCP at the Leamington Spa Fire Station, there are no plans for any more.

The Operational Assessment and Fire Peer Challenge planned for November 2016 will be a process of improvement rather than an audit. It will include a range of self-

assessments and the service as a whole will be visited by officers from outside the authority who will help to identify key areas for improvement where necessary.

It is anticipated that the final report will be presented to the Resources and Fire & Rescue Committee in February 2017. Members agreed to add this item to the Work Programme.

Resolved

The Committee:

- 1) Endorses, the closure of the 2013 Warwickshire Fire & Rescue Peer Challenge Action Plan; and
- 2) Endorses, the proposed arrangements for an Operational Assessment and Fire Peer Challenge in November 2016.

6. Project Hub Update and Member Dashboard

Josephine Millar, Project Manager (OOP Delivery/Corporate Transformation), gave a presentation to the Committee on the new Member Projects Dashboard. It was noted that this was a central source of information on projects and programmes and is built in the same software as the performance dashboard that is already in use. The Member Projects Dashboard is due to go live from the end of September 2016. Members were given clarification that data is input to the system by Project Managers, visible to the WCC project community and that the Group Leadership Team (GLT) would ensure that the information is kept up to date. It was noted that, at the moment, there is no plan for a page identifying information that has not been updated. But if any deadline is missed, it will affect the RAG status of a project.

With regard to the search function, it was confirmed that all Corporate Board Projects will be listed and Members would be able to access the information for each one. For any projects outside the Corporate Board, links would be provided for key officer contacts. Once a project is completed, the status will change to 'closed' but all the information would stay on the database for members to access.

Resolved

The Committee notes the information from the presentation.

7. Public Property Asset Register

Steve Smith presented the contents of the report to members who noted that Warwickshire has a good track record with collaboration working such as the MASH. It was noted that officers are working towards creating a forum across the public sector in Warwickshire in order to agree an approach to ensuring that all assets are listed. The three Clinical Commissioning Groups in Warwickshire are already looking into sharing estates; Borough and District Councils have been approached in order to join the discussions.

Following a question regarding the recent sale of over 100 County assets, it was confirmed that the majority had been leasehold properties and not freehold. The Council's Rationalisation Policy had been followed and there remained a

commitment to savings. It was also noted that the ongoing repair and maintenance costs for these properties had outweighed any income.

Members requested a further update regarding the creation of a Warwickshire Forum (to be set up in order to agree an approach to ensuring that all assets lists are published) and agreed the matter should be added to the agenda for the meeting in September. Steve Smith concluded by confirming that One Public Estate is a government programme that Warwickshire is hoping to join by the end of the year.

Resolved

The Committee supports the contents of this report and comments on the proposals in section 3 of the report.

8. Urgent Matters

None

9. Date of Next Meeting

The date of the next Resources and Fire & Rescue Overview and Scrutiny Committee was confirmed as 15 September 2016 at 2 p.m. in CR2, Shire Hall.

The meeting rose at 3.40 pm.

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Chair

Resources and Fire & Rescue Overview and Scrutiny Committee

15 September 2016

Work Programme 2015/16

Recommendations

That the Resources and Fire and Rescue Services Overview and Scrutiny Committee:

- 1) Agrees the updated 2016/17 Work Programme and makes any additional comments or changes, as required; and
- 2) Notes the scheduled future meeting dates.

1.0 Work Programme

- 1.1 At the Council meeting held on 24th September 2015, the remit of the Corporate Services Overview and Scrutiny Committee was changed to include Fire and Rescue Service and Libraries, and the name of the committee was changed to *Resources and Fire and Rescue Overview and Scrutiny Committee*.

OSC	Remit	Strategic Director	PFH's
Resources & Fire & Rescue (includes Fire & Rescue and Libraries)	Fire & rescue, budget, medium term financial plan, corporate business plan, planning and performance arrangements, finance, property, information technology, facilities management, workforce strategy and development, law and governance, libraries, customer service and communications	Resources Chief Fire Officer	Deputy Leader Community Safety Customers

1.2 The updated Work Programme for 2016/17 is attached at Appendix A and will show the committee what items have been considered and what is still outstanding.

2.0 Briefing Notes

2.1 A number of briefing notes have been provided or scheduled to be provided to the committee during 2016/17 as listed in Appendix A.

3.0 Dates of Future Meetings

3.1 Future meetings of the Committee have been scheduled for 2pm on the following dates:

- 14 December 2016
- 22 February 2017

Background papers

None

Appendices:

Appendix A – Work Programme 2016/17

	Name	Contact details
Report Author	Helen Barnsley	helenbarnsley@warwickshire.gov.uk 01926 412323
Head of Service	Sarah Duxbury	sarahduxbury@warwickshire.gov.uk 01926 412090
Strategic Director	David Carter	davidcarter@warwickshire.gov.uk 01926 412564

**Resources and Fire & Rescue Overview and Scrutiny Committee
Work Programme 2016/17 – 15 September 2016**

Appendix A

Reports for future meetings

Item	Report detail	Date of last report	Date of next report
Questions to the Portfolio Holders / Forward Plan decisions	Report which includes Forward Plan decisions relevant to the remit of the Committee – Helen Barnsley	N/A	* Standing item for every meeting
Treasury Management	Report to present Treasury Outturn 2015/16 – to include a performance analysis of Warwickshire County Council and other authorities as agreed at meeting on 18/05/16	N/A	15 September 2016
One Organisation Plan	Performance Report for year ending 31 March 2016	N/A	15 September 2016
One Organisation Plan	Quarterly Progress report. (note: to include remedial actions in the commentary)	17 March 2016	15 September 2016**
Update on the development of the MASH in Warwickshire	A briefing note regarding the progress of the MASH and a recommendation for a further report in 6 months' time following the implementation of the MASH	17 March 2016	15 September 2016
Public Property Asset Register	An update regarding the creation of a Warwickshire Forum to be set up in order to agree an approach to ensuring that all asset lists are published.	N/A	15 September 2016
Business Rates	Business Rates – impact of new proposals and information regarding consultation with those who will be paying the rates.	N/A	14 December 2016

**moved from July meeting in order to coincide with the outturn report

**Resources and Fire & Rescue Overview and Scrutiny Committee
Work Programme 2016/17 – 15 September 2016**

Appendix A

Reports Recently Received by the Committee

Item	Report detail	Date of last report
AOB	A presentation to be given to the Committee on the Transformation of the Fire Service over the last 2/3 years. (20 mins plus 10 mins question time)	13 July 2016
Fire and Rescue Service	Fire Peer Review Report	13 July 2016
Public Property Asset Register	Update report – establishing if there is an appetite for a public property asset register from other public bodies	13 July 2016
Work Programme	Updated Work Programme for the Resources and Fire & Rescue OSC 2016/17	18 May 2016
Treasury Management	A report showing the performance information up to December 2015	18 May 2016
Update on LEP Funding Options	Report on the LEP regarding where resources are to be used	18 May 2016
Fire and Rescue Service	A report to explain the changes to the governance arrangements to the Fire and Rescue Service	18 May 2016
One Organisation Plan	Quarterly Progress report (Quarter 3)	17 March 2016
WCC Project and Programme Management Update	A report which provides an update on the project and programme management processes used at WCC and makes recommendations to consider areas for further scrutiny, where appropriate.	17 March 2016
Update on the development of the Multi-Agency Safeguarding Hub (MASH) in Warwickshire	A report noting the progress of the MASH and a recommendation for a further report in 6 months' time following the implementation of the MASH	17 March 2016
Infrastructure Funding	A report noting the current position relating to developer contributions.	17 March 2016

**Resources and Fire & Rescue Overview and Scrutiny Committee
Work Programme 2016/17 – 15 September 2016**

Appendix A

Briefing Notes - Produced

Item	Briefing Note detail	Date requested	Date circulated
Questions to Portfolio Holders	Question to Treasury - following the Budget on 16/03/2016; when will an impact assessment be carried out.	17 March 2016	23 March 2016
One Organisational Plan	Information re turnover of retained firefighters in relation to employment issues and current number of whole time firefighters.	17 March 2016	8 April 2016
WCC Project and Programme Management	Kenilworth Station to be used as an example of how the new project management system will work.	17 March 2016	27 April 2016
One Organisational Plan	Briefing Note with the latest information with regards to the complaint handling about Social Services	17 March 2016	26 April 2016
One Organisation Plan	Customer Journey Information – delivered on time and to budget. The timetable has slipped due to resourcing and staff availability at service level.	17 March 2016	10 May 2016
Infrastructure Funding	Information referring to the individual District and Borough Councils to be supplied (including information about which application they applied to)	17 March 2016	21 April 2016
AOB	Call rates during the first and last ½ hour of the day at Customer Contact Centre	17 March 2016	26 April 2016
1(3) Matters Arising – Item 6	Members requested an updated regarding the member dashboard; Project and Programme Management. (Josephine Millar)	18 May 2016	13 July 2016
1(3) Matters Arising – Item 8	Members requested an update regarding MASH and the IT systems. (John Coleman)	18 May 2016	1 June 2016
1(3) Matters Arising – Item 7	Members requested further information regarding the spending of Section 106 monies in areas outside the development area; i.e. neighbouring counties. (Janet Neale)	18 May 2016	14 June 2016
4 – Work Programme	Employment Rates in Warwickshire	18 May 2016	26 May 2016
7 – Fire and Rescue	Home Office is due to make a speech w/c 23 May on Fire and Rescue Service – Briefing Note to be provided to members after the event.	18 May 2016	26 May 2016

Briefing Notes – Awaited

Item	Briefing Note detail	Date requested	Date circulated
3 – Questions to Cabinet & Portfolio Holders	Request for a briefing note on the IT obstacles for Pupil Premium applications and how they will be resolved. (Nigel Minns to send through for 12 July 2016)	18 May 2016	Due 15 September 2016

**Resources and Fire & Rescue Overview and Scrutiny Committee
Work Programme 2016/17 – 15 September 2016**

Appendix A

Actions from 13 July 2016

Item		Completed	Comments
3 – Questions to Cabinet and Portfolio Holders	Request for a briefing note on the IT obstacles for Pupil Premium applications and how they will be resolved.		Nigel Minns
4 – Work Programme	Business Rates – update to be provided following Leaders Liaison Group meeting on 16 September 2016		Report to be requested for 14 December 2016
5 – Treasury Management	Analysis of the performance of Warwickshire County Council against other local authorities to be included in the next report.		To be included in report at 15 September meeting
8 – Urgent Matters	Request that members are given the chance to see the Fatal Four Road Safety Presentation. A shorter version would allow members to get a flavour & suggest to local community groups etc. that they request the full version	Planned for Council on 22 September 2016	A shorter version will be available and shown during lunch break at Council.

Resources and Fire & Rescue Overview & Scrutiny Committee

15 September 2016

One Organisational Plan Year End Progress Report: April 2015 – March 2016

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 consider appropriate.

1. Introduction

- 1.1. The One Organisational Plan Progress Report for April 2015 – March 2016 was considered by Cabinet on 4 July 2016 and reported on the overall progress for the Authority.
- 1.2. The following report provides specific commentary in relation to each of the areas within the OOP that come under the remit of the Resources and Fire & Rescue Overview & Scrutiny Committee and have been drawn from the Cabinet report.

2. Resources and Fire & Rescue: Outcomes Framework

- 2.1 Progress on the delivery of the 5 OOP outcomes, and the 22 supporting themes, is also being tracked; their year-end status, and the two year direction of travel, is shown in Appendix A of the Cabinet report. This shows that over the last two years of the OOP, 13 (59%) of the themes are maintaining a steady level of performance, 2 (9%) have improving performance and 7 (32%) have a downward trend.

- 2.2 Overall cumulative savings of £31.1m have been achieved by year end against the target of £29.7m indicating that we are ahead of target in delivering the savings plan.
- 2.3 At the year-end, key achievements against the Outcomes specific to the remit of this Committee are given below.

Resources Achievements

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

- By the end of the second year, the Authority is ahead of its target in delivering the savings plan.
- Service standards are published for all services.
- Significant risks are being managed actively and there is only one net red risk in the corporate risk register.
- 45% of resident in Warwickshire are satisfied that they are able to influence decision making in their local area.
- Customer Service is continuing to maintain the Customer Excellence Accreditation which ensures effective management of customer expectations.
- 100% of Corporate Learning and Development Plans were delivered in 2015/16.
- 100% of risks identified across the Resources Business Units are managed & reviewed monthly.
- Overall availability of ICT Network is exceeding the set target.
- The Property Rationalisation Programme continues to be delivered on time & to budget.

Outcome: Warwickshire's communities are supported by excellent communications and transport infrastructure

- CBPM - WCC Contribution to Rural Broadband Development continues to remain on target
- The number of premises enabled in Coventry, Solihull and Warwickshire (98% enabled in Warwickshire by date to be agreed in new Contract in 2015/16) remains on track to be delivered by the end of the contract.

Fire and Rescue Achievements

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

- Customer satisfaction is at 95% for Fire and Rescue, who have set a target to reach of 100%

Outcome: The Health & Wellbeing of all in Warwickshire is protected.

- Managers are completing 100% of the required competency checks
- 100% of risk critical equipment is being replaced within 24 hours
- In 2015/16 There was 9 RIDDOR reports, (*Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013*) compared to a target of 2.
- There were 33 Level 3 and Major Risks exercises and training events undertaken in 2015/16, meeting the set target.
- In 75% of occasions, fire appliances arrived at life risk or property incidents within 10 mins matching the set target
- There were no preventable fire related deaths during 2015/16
- The total number of accidental dwelling fires (147) have also fallen against a target of (159).

3. OOP Outcomes, Key Business Measures (KBMs) & Performance for Resources and Fire & Rescue

3.1 The following section provides an update on progress to date on the key performance measures that support the delivery of the outcomes that come under the remit of this committee. Trend information has been provided for the current financial year. The table shows that there are a significant number of key achievements as defined by the number of KBMs which have a Green rating at year end.

OUTCOME	2015/16 PERFORMANCE						
	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
KEY BUSINESS MEASURES			Q1	Q2	Q3	Q4	
Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership							
Service standards are published for all services	100	100	G	G	G	G	
% Staff expressing satisfaction with their manager as a leader	-	52	G	n/a	A	A	A full Staff Survey will be undertaken in 2016/17. The figures quoted are based on the 2014/15 staff survey results.
% Resident satisfaction that they are able to influence decision making in their local area	40	45	G	G	G	G	Data drawn from Living in Warwickshire survey and this rating is based on a forecast for 2015/16 which will be reported on from the 2016 survey results - available by August 2016. The actual here refers to 2014-15 survey results.
% staff satisfaction with access to resources and information which allows them to do their job	74.74	76.21	G	n/a	A	A	A full Staff Survey will be undertaken in 2016/17. The figures quoted are based on the 2014/15 staff survey results.
% staff satisfied with the Council as an employer	73.18	72.9	G	G	G	A	This is based on pulse survey results
The Customer Journey programme is delivered on time and to budget	50	50	G	R	R	R	The timetable has slipped due to resourcing and staff availability at service level.
Maintain Customer Excellence Accreditation to ensure effective management of customer expectations	1	1	G	G	G	G	
Standards for complaint handling are met	0.7	1	R	R	R	R	This assessment is based on consideration of volume of customer feedback, absorption of the new recording system requirements across the different Groups, timeliness of responses and average time taken to respond.

Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
			Q1	Q2	Q3	Q4	
KEY BUSINESS MEASURES							
% Delivery of Corporate Learning and Development Plans	100	100	G	G	G	G	
All Resources Group change activity is delivered on time & within budget	98.6	100	A	G	G	A	
Risks identified are managed & reviewed monthly	100	100	G	G	G	G	
Overall availability of ICT Network	12	14	G	G	G	G	
CBPM - WCC Contribution to Rural Broadband Development	89	90	n/a	G	G	G	This is due to unavoidable delay in deployment from the supplier has led to a slight overrun. However remedial action has been taken and target is due to be hit by contract closure date.
Premises enabled in CSW and Warwickshire (98% enabled in Warwickshire by date to be agreed in new Contract in 2015/16)	89	90	n/a	G	G	G	This is due to unavoidable delay in deployment from the supplier has led to a slight overrun. However remedial action has been taken and target is due to be hit by contract closure date.
Savings are delivered to plan	100	100	G	G	G	G	
Net Variation to budget	-3.48	-2	R	R	R	R	Details of those Business Units who have not met the net variation to budget target (between 0% and -2%) are set out in section 4 of this report
% Customer Satisfaction Levels (Fire & Rescue)	100	95	G	G	G	G	
Resources Group demonstrates value for money	96.42	100	A	A	A	A	This measure is made up of a composite of 3 performance measures: - Net Variation to Budget, Proportion of Service Standards Met and All Business Unit Key Activities are Delivered on Time and within Budget.

OUTCOME	2015/16 PERFORMANCE						
Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
KEY BUSINESS MEASURES			Q1	Q2	Q3	Q4	
Traded Services meet budgetary targets	87.5	100	R	R	A	R	Customer Service - within SLS there was a last minute adjustment of grading error for a member of staff which affected out turn with no time to make up short-fall on such a tight margin. Information Assets delivered £290,000, short of the £390,000 primarily due to an issue in Q4. However full target was delivered to Traded Reserve. Finance - sickness insurance and School Finance have met their targets, but not payroll, primarily due to one-off spend for improvements to the Payroll system and a continued loss of schools custom.
Capital Programme Delivered on time & to budget (Educational & Corporate Programmes)	90	100	R	R	R	R	At an overall level, the Council's Capital programme had slippage against budget; the main reasons are outlined in the Cabinet report of 4 July 2016. However, the Council's plans show that the slippage of schemes is incorporated into future capital programme plans and do not require any additional use of corporate capital resources.
The Property Rationalisation Programme is delivered on time & time budget	-1017134	-1017134	G	G	G	G	Savings delivered to 31st March 16, revised plan to be developed to support savings target to March 18
% increase in staff engagement	69.5	75.04	A	R	R	R	The figures quoted are based on the results of the 2015/16 Staff Pulse survey. Action plans are being implemented to improve the scores. A full staff survey will be undertaken in 2016/17.

OUTCOME	2015/16 PERFORMANCE						
	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
KEY BUSINESS MEASURES			Q1	Q2	Q3	Q4	
Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership							
% of services that are commissioned to deliver against clearly defined set of outcomes (Org Health)			R	n/a	n/a	n/a	This is currently being defined for the whole Group and will be based on the definition of the Organisational Health Measure. Once this has been completed it will be shared and agreed with GLT as part of the broader work to define all KBMs for Resources Group.
Capital Programme - % Variance to Budget (Fire and Rescue)	16	0	G	R	n/a	G	The overall capital programme was underspent by £424k or 16% compared to the estimated expenditure forecast at Q3. The majority of this variance relates to slippage against one individual project.

OUTCOME	2015/16 PERFORMANCE						
	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
KEY BUSINESS MEASURES			Q1	Q2	Q3	Q4	
The health & wellbeing of all in Warwickshire is protected							
No of whole time firefighter vacancies (Full Time Equivalent)	11	11	n/a	R	R	R	The number of whole time firefighters is being managed closely. As WFRS enters the phase 2 of our Transformation programme and a new duty system is established these vacant posts will be protected and contribute to the savings reducing the possibility of compulsory job losses.
% competency checks completed by Managers	100	100	G	G	G	G	

OUTCOME	2015/16 PERFORMANCE						
The health & wellbeing of all in Warwickshire is protected	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
KEY BUSINESS MEASURES			Q1	Q2	Q3	Q4	
% risk critical equipment replaced within 24 hours	100	100	G	G	G	G	
No of RIDDOR adverse events	2	9	G	G	G	G	
No of Level 3 and Major Risks exercises and training events undertaken	33	33	G	G	G	G	

OUTCOME	2015/16 PERFORMANCE						
Our communities & individuals are safe and protected from harm and are able to remain independent for longer	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
KEY BUSINESS MEASURES			Q1	Q2	Q3	Q4	
% RDS appliance availability	76	85	R	R	R	R	Attracting and maintaining RDS personnel continues to be a challenge at both a national and a local level. Recent recruit campaigns have successfully recruited a number of new recruits for key stations at key times and when they are fully operational there will be a resulting improvement in RDS availability.
% of Home Fire Safety Checks delivered to vulnerable and targeted persons	67	85	R	R	R	R	As reported throughout the year the priority for the Service has been addressing new legislation requirements regarding landlords ensuring all privately owned accommodation has a working smoke alarm. Therefore the right levels of HFSC's being conducted is correct but they a number may not be delivered to our target groups

OUTCOME	2015/16 PERFORMANCE						
Our communities & individuals are safe and protected from harm and are able to remain independent for longer	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
KEY BUSINESS MEASURES			Q1	Q2	Q3	Q4	
No of fire related injuries	21	18	G	G	G	R	The level of fire related injuries have remained at consistently low levels across this year at 21. All incidents where an injury has been sustained are investigated to identify any potential learning to inform fire safety prevention activity.
No. of incidents attended	3306	2789	R	A	R	R	The overall number of incidents is over target at year end; this has been forecast throughout the year. This is due to a rise in the number of deliberate secondary fires, where no property or vehicle is involved, experience across the County over the period of early summer when there was a hot, dry spell of weather.
% times an appliance arrives at life risk or property incidents within 10 mins	75	75	G	G	G	G	
No. of people extricated from RTCs	147	145	G	G	G	A	WFRS attended 147 Road Traffic Collisions where we performed 1 or more extrications. Although this is more than target there has been a 9% reduction on the previous year.
No. of preventable fire related deaths	0	0	G	G	G	G	
Total no of accidental dwelling fires	147	159	G	G	G	G	
Total no of fires in non-domestic premises	93	83	G	G	G	R	Across the year there have been 93 recorded fires in non-domestic properties, missing target by 12%. These levels are low when compared to other fire services nationally, in 2014/15 WFRS were the second best performing service.

OUTCOME	2015/16 PERFORMANCE						
Warwickshire's communities are supported by excellent communications and transport infrastructure	YE Actual	Target	Quarterly Forecasts 2015-16				Commentary
KEY BUSINESS MEASURES			Q1	Q2	Q3	Q4	
CBPM - WCC Contribution to Rural Broadband Development	89	90	n/a	G	G	G	This is due to unavoidable delay in deployment from the supplier has led to a slight overrun. However remedial action has been taken and target is due to be hit by contract closure date.
Premises enabled in CSW and Warwickshire (98% enabled in Warwickshire by date to be agreed in new Contract in 2015/16)	89	90	n/a	G	G	G	This is due to unavoidable delay in deployment from the supplier has led to a slight overrun. However remedial action has been taken and target is due to be hit by contract closure date.

4. Resources and Fire & Rescue Revenue Position

4.1 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. Table 1 shows the absolute and percentage variation to the approved budget in relation to those Business Units whose services come under the remit of this committee who are either reporting a year end overspend or underspend against the budget allocation for 2015/16.

Extracted from Table 1 in the Cabinet Report 4 th July 2016						
Business Unit Revenue Spending for Resources & Fire and Rescue Overview & Scrutiny Committee	Budget After Q3 £m	Agreed Changes £m	Revised Budget £m	Outturn Spending £m	Over (Under) Spend £m	Variation %
Customer Service	8.508	(0.242)	8.266	8.143	(0.123)	-1.49%
Finance	4.210	0	4.210	3.876	(0.334)	-7.93%
Human Resources	5.157	0.001	5.158	5.008	(0.150)	-2.91%
Information Assets	9.589	0.453	10.042	10.035	(0.007)	-0.07%
Law and Governance	0.780	(0.063)	0.717	0.654	(0.063)	-8.79%
Physical Assets	11.250	(0.078)	11.172	10.658	(0.514)	-4.60%
Performance Business Unit	2.056	0.344	2.400	2.508	0.108	4.50%
Fire and Rescue	19.944	(0.153)	19.791	18.939	(0.852)	-4.30%
Totals	61.494	0.262	61.756	59.821	-1.935	

4.2 The following financial commentary is in relation to those Business Units whose services come under the remit of this committee that are either reporting a year end underspend in excess of 2% or any overspend against the budget allocation for 2015/16.

4.3 Performance Business Unit – The end of year financial position for the PBU is an overspend of £108,000, or 4.50%. This is due to expenditure on Resources Group transformation projects originally anticipated to occur in 2016-17 having been accelerated and incurred in 2015-16. This expenditure will be met from Group Reserves. PBU (formerly SI & CM) outturn excluding transformation projects is £45k favourable (1.9% variance to budget).

- 4.5 Finance – The end of year financial position for Finance is an underspend of £334,000 or -7.93%. The majority of variations are the result of maintaining ongoing vacancies that will contribute towards future years savings targets, although there has also been increasing difficulty in recruiting to vacancies. The anticipated surplus on schools traded areas is due primarily to additional income from schools. There has been an overspend on non-schools payroll trading, reflecting the need for one-off investment to secure longer term custom. We have generated additional one-off income from HMRC for a successful VAT refund claim and also from greater than anticipated contract rebates. Lastly, there was also slippage in planned work for the replacement Social Care system, together with one-off Care Act monies which are no longer required as implementation has been delayed.
- 4.6 Human Resources – The end of year financial position for HR&OD is an underspend of £150,000 or -2.91%. The underspend relates to posts held for future years savings and other vacancies as well as lower than anticipated expenditure from the training levy as a result of delays to programme development which will be delivered next year.
- 4.7 Law & Governance – The end of year financial position for L&G is an underspend of £63,000 or -8.79%. The underspend is largely due to staffing vacancies in Democratic Services and more income generated from Legal Services. Although the % under-spend is greater than 2% of the net budget it is just 1% of the Gross budget reflecting the highly traded nature of the Business Unit.
- 4.8 Physical Assets – The end of year financial position for PA is an underspend of £514,000 or -4.60%. The underspend is due to three main reasons. First is due to better than forecasted levels of income in the sum of £224,000 from trading with schools, from rebates from Scape, from fees from the capital programme and from FM contracts. Second is due to £171,000 underspends in maintenance and renewable energy schemes across construction and FM. Third is the £119,000 underspend on strategic sites planning applications whilst negotiations continue with local planning authorities
- 4.9 Fire & Rescue – the end of year financial position for F&R is an underspend of £852,000 or -4.30%. The Service ended the financial year with an underspend of £852k. £451k of this relates the Fire Control Project and the reason for this is primarily due to contractual issues with the main service provider. These issues have since been ironed out and this funding will be carried forward into 2016/17 to support the continuation of the project. The remaining £401k underspend is made up of a number of relatively small variances across budgets including staff vacancies and the training underspend of £118k resulting from contract re-negotiation.

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

5.1 All of the Business Units concerned have met their second year savings target as shown by the table below.

Business Unit	2015/16 Target (£'000)	2015/16 Qtr.1 Forecast (£'000)	2015/16 Mid-year Forecast (£'000)	2015/16 Qtr.3 Forecast (£'000)	2015/16 YE (£'000)	2 Year Trend
Customer Service	650	650	650	650	650	Achieved
Physical Assets	1,092	1,092	1,092	1,092	1,092	
Information Assets	1,067	1,067	1,067	1,067	1,067	
Law & Governance	57	57	57	57	57	
Human Resources & Organisational Development	561	561	561	561	561	
Finance	501	501	501	501	501	
Performance Business Unit	540	540	540	540	540	
Fire and Rescue	1,129	1,077	1,077	1,129	1,129	

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

- 6.1 The level of reserves at the end of the year for the Authority as a whole has increased to £132.504 million. Reserves are held at both Business Unit and Group level, reflecting where the risk is best managed. The level of reserves is consistent with Business Units plans for managing the financial risks and demands facing services over the next three years.
- 6.2 The business unit reserves relevant to this committee are shown in the table below (extracted from Appendix C to the Cabinet Report 4th July 2016), including what the reserves are held for. Further details on why they are appropriate are outlined in the same Appendix C. As part of reviewing the level of reserves held, all Groups have taken the opportunity to redistribute their reserves to support service needs and financial risk.

Extracted from Appendix C of the Cabinet Report 4 th July 2016							
Balance on Reserves at 31 March 2016 in hand (Overdrawn) and reasons for reserves							
	£'000		£'000		£'000		£'000
Customer Services	£1,127	Finance	£429	HR & OD	£867	Information Assets	£1,423
Warwickshire Local Welfare Scheme	£665	Financial Training	£95	Growing for Growth – Apprenticeship Scheme	£689	PFI for Schools	£5
Service Savings	£200	Service Savings	£334	Service Savings	£178	Service Savings	£62
Care Act	£126					Going for Growth – BDUK	£1,031
Customer Journey Reserve	£136					WAN Investment	£325
Law & Governance	£174	Physical Assets	£1,345	Performance Business Unit	£82	Fire and Rescue	£1,713
Counter Fraud Grant Reserve	£111	Catering Equalisation Account	£401	Project Management	£190	Pensions	£91
Service Savings	£63	Service Savings	£514	Service Specific Resource	(£108)	Service Savings	£704
		Planning Reserve	£430			Operational Training	£318
						RSFRS Project	£70
						Fire Control Project	£530

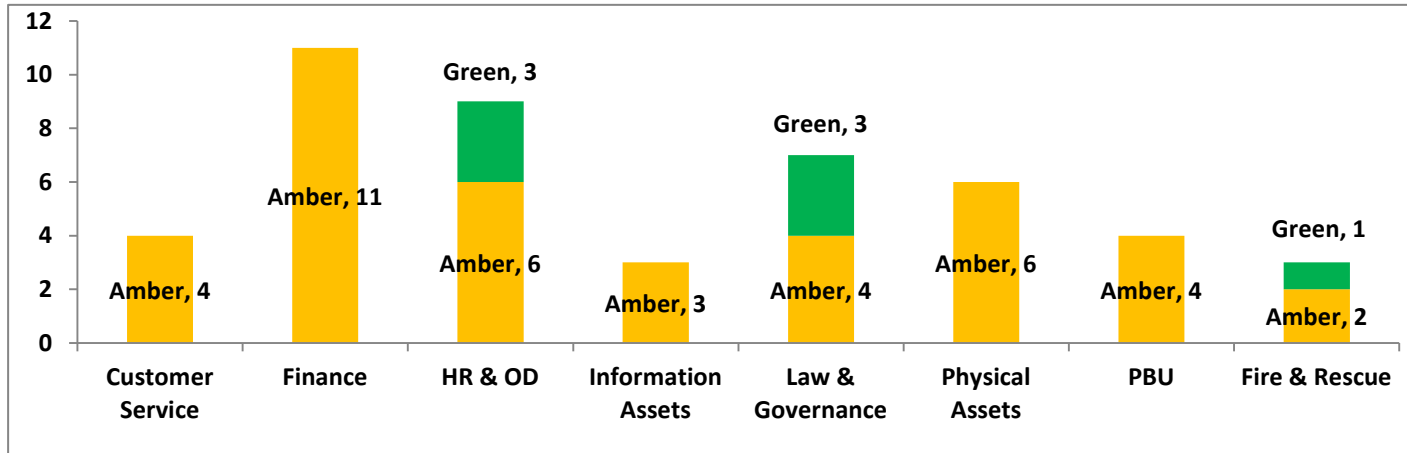
7. Resources and Fire & Rescue: Capital Spend & Capital Slippage:

7.1 The outturn position for the Business Units concerned is shown below (this information is extracted from Annexes A-S of 4 July 2016 Cabinet report). All of the Business Units ate forecasting full spend by the end of 2018/19.

Business Unit	Total current and future years approved budget £'000	2015/16 Approved Budget £'000	2015/16 Forecast & out-turn £'000	2015/16 Variance in year (underspend) £,000	Approved Budget 2016/17 £'000	Forecast 2016/17 £'000	Forecast 2017/18 and later years £'000	Total years Forecast £'000
Customer Service	3,931	419	143	(266) G	3,190	3,528	0	3,958
Physical Assets	56,169	15,267	15,023	(244) G	11,022	12,785	20,624	64,999
Information Assets	32,191	6,041	2,829	(3,212) G	7,323	4,625	20,014	33,259
Fire and Rescue	12,875	2,581	2,160	(421) G	5,658	6,230	3,635	12,875

8. Resources and Fire & Rescue: Management of Risk

8.1 The table below provides an over-view of the risk position in relation to the Business Units that come under the remit of this Committee. A further 18 risks are also monitored on a monthly basis for these Business Units. .



8.2 There are no red strategic net risks in the Resources and Fire & Rescue Overview and Scrutiny Committee remit.

8.3 The council's amber strategic risks that are relevant to this committee are:

- **R0839** Government policies, new legislation and sustained austerity measures present immediate challenges and further significant imposed savings over the medium term
- **R0842** Loss or corruption of personal or protected data held by the Council
- **R0844** Inability to sustain risk critical fire and rescue functions

9. Supporting Papers

- 9.1 A copy of the full report that went to Cabinet on the 4th July and is available via the following link: [OOP Year End Progress Report Cabinet 4th July 2016](#) and the supporting Business Background Information relevant to the remit of this Committee, which also went to Cabinet on 4th July and is available in each of the Group Rooms.

10. Background Papers

None

Authors:	Sushma Soni & Brenda Millar, Performance Business Unit
Head of Service	Tricia Morrison, Head of Performance Business Unit
	Kushal Birla, Head of Customer Service & Access
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	Tonino Cuiffini, Head of Information Assets
	Sarah Duxbury, Head of Law & Governance
	Steve Smith, Head of Physical Assets
	Rob Moyney, Deputy Chief Fire Officer
Strategic Director	David Carter, Strategic Director, Resources Group
	Andy Hickmott, Chief Fire Officer
Portfolio Holder	Councillor Kam Kaur
	Councillor John Horner

Resources and Fire & Rescue Overview & Scrutiny Committee

15th September 2016

One Organisational Plan Quarter 1 Progress Report: April - June 2016

Recommendation

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

Considers and comments on the quarterly OOP performance progress report.

1. Introduction

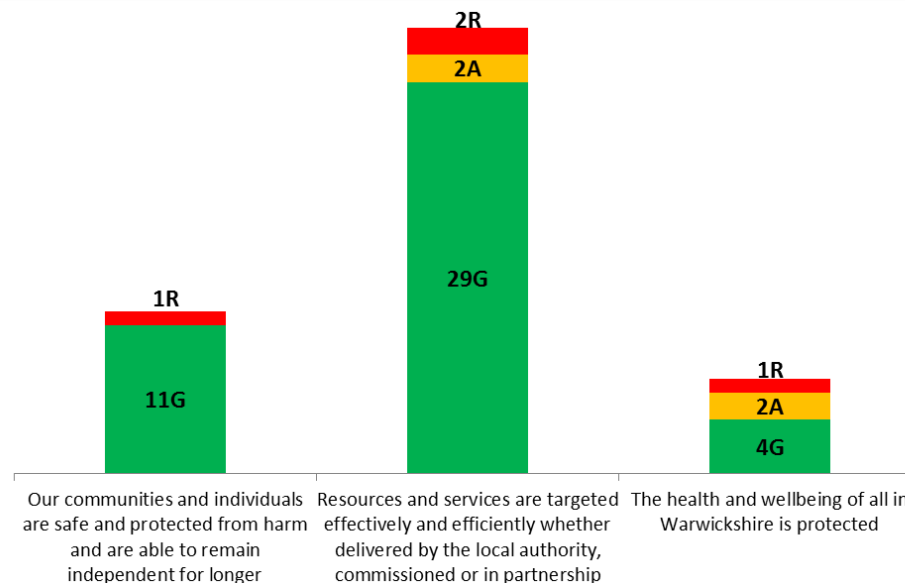
- 1.1. The One Organisational Plan Progress Report for April – June 2016/17 was considered and approved by Cabinet on 8th September 2016.
- 1.2. This report provides specific information which falls under the remit of the Resources and Fire & Rescue Overview & Scrutiny Committee and draws on financial and performance information extracted from the Cabinet report.
- 1.3. The content and style of this report has been revised and will continue to be improved in response to previous member feedback and aims to provide:
 - (i) Improved contextual information on service outcomes/strategic context in order to enable a better understanding of performance measures, including where appropriate the key interventions being taken to achieve specific outcomes.
 - (ii) Quarterly (most up-to date) performance information of the relevant key business measures.
 - (iii) A more detailed look through longer term trend information, at specific service areas within each quarterly report, including where available, comparative information.
 - (iv) Improved commentary on key business measures which are/not performing well to enable a better understanding of the reasons, the actions being taken to address these and comparative information where appropriate.

2. Resources and Fire & Rescue Overview & Scrutiny Committee: Strategic Context

- 2.1 This report covers services which are the responsibility of the Resources & Fire & Rescue business units.
- 2.2 The key outcomes and objectives which these business units aim to achieve are contained in Appendix A; these in turn support the achievement of the OOP Outcomes. Progress on these objectives is reported through the Key Business Measures to Cabinet and Overview and Scrutiny Committees on a quarterly basis.

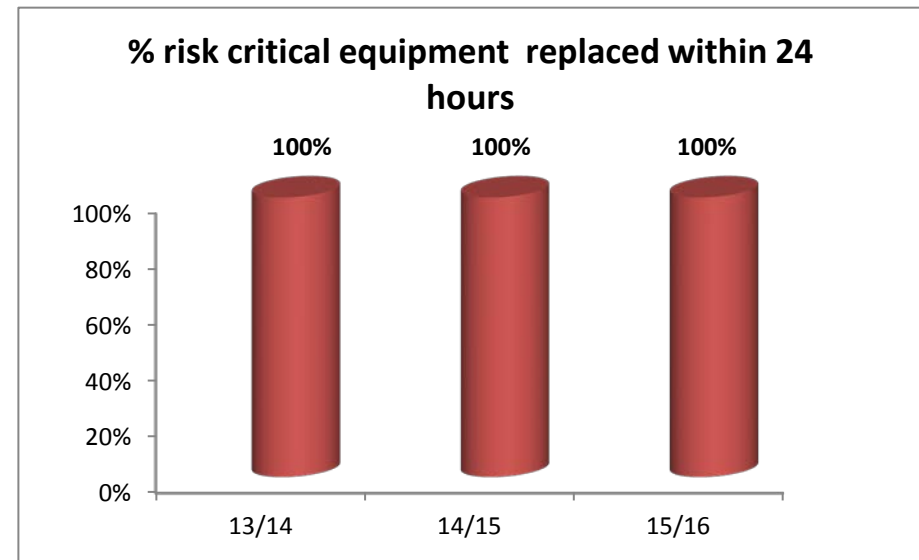
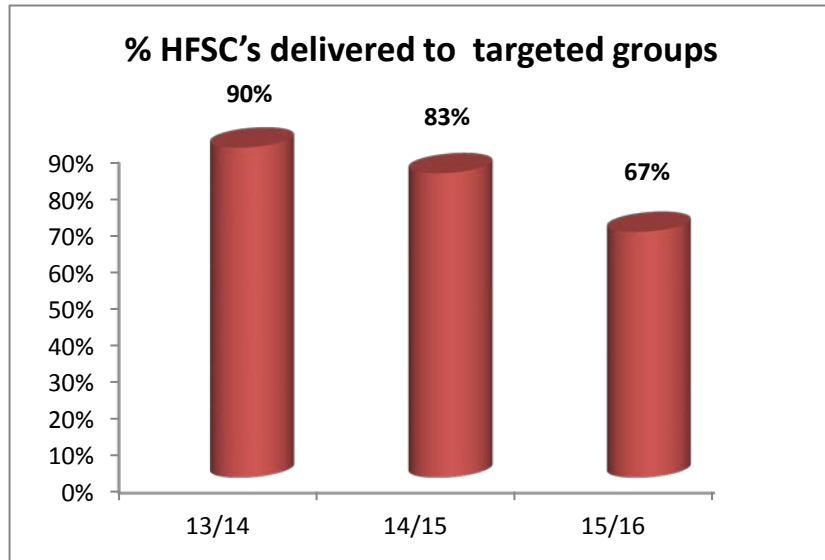
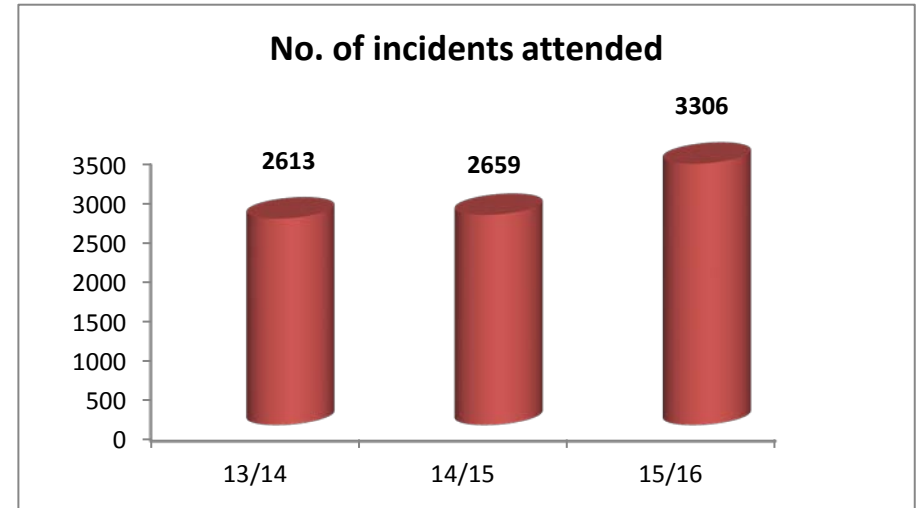
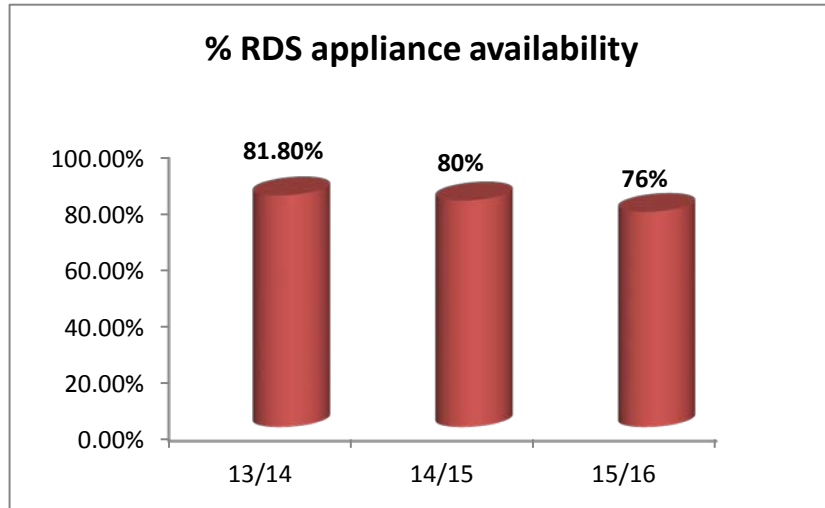
3. OOP Outcomes - Progress on performance for Resources and Fire & Rescue

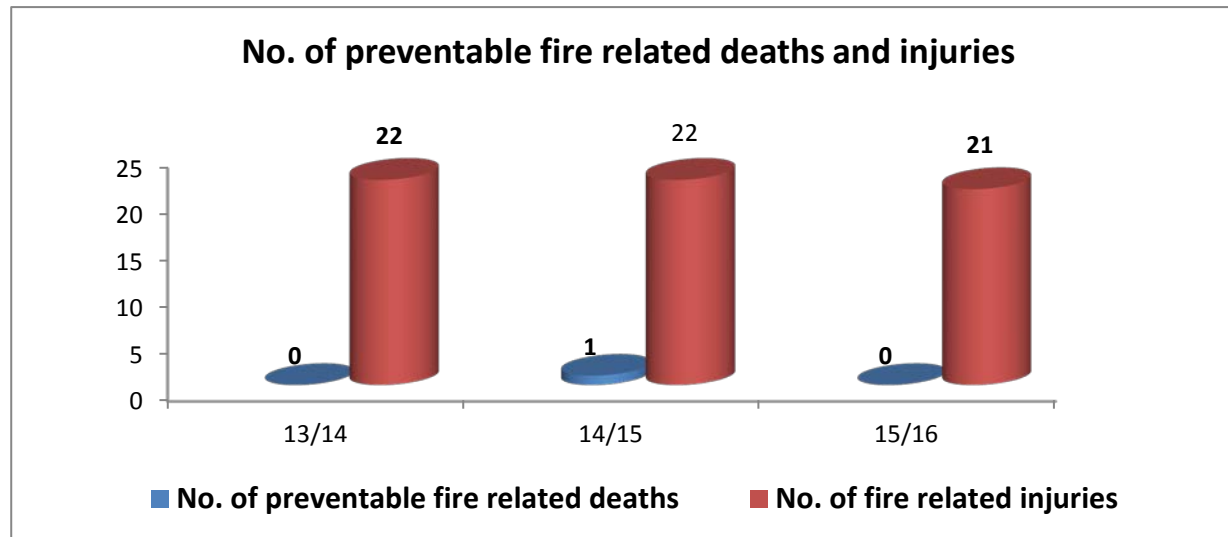
- 3.1 The OOP Outcome Framework contains 5 specific key outcomes and their delivery is dependent on the achievement of supporting Key Business Measures (KBM). The table below provides an overview of the year end forecast (at quarter 1) of the performance of the Key Business Measures which support the remit of this Committee.



* Two measures are not included in the table as one is for monitoring purposes and the information is not available for the other.

3.2 This quarterly report provides longer trend data on some fire and rescue service measures as seen through the charts below and which contribute towards the OOP Outcomes.





- 3.3 The table and graphs indicate that there is consistent good performance against these key measures. The Retained Duty System (RDS) continues to be a challenge for the Service. Innovative solutions are being trialed alongside the established targeted recruitment campaigns to maintain levels of RDS availability. Changes in some of the mobilising policies, such as an increase in attendance to Road Traffic Collisions, have resulted in an increase in the number of incidents attended during 2015/16. The number of fire related deaths and injuries remain low and the Service compares favourably when compared nationally to other Fire Services. These low levels indicate that the targeting strategy for Home Fire Safety Checks (HFSCs) is effective. In addition, the process of replacing risk critical equipment is effective with an item being replaced within a 24 hour period 100% of the time to ensure firefighters are equipped correctly when they tackle emergency incidents.
- 3.4 The following section provides progress to date (June 2016) on the key performance measures (KBMs) that support the delivery of the outcomes that come under the remit of this committee. For Fire and Rescue service measures, the table includes data on actual achievement at Quarter 1; it is intended that from quarter 2, data on actual achievement will also be provided for all Resource Group measures.

OUTCOME		2016/17 PERFORMANCE						
Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership		Year End Forecast at Q1	Target	Quarterly Year-End Forecasts 2016-17				Commentary
KEY BUSINESS MEASURES				Q1	Q2	Q3	Q4	
CS	Resident satisfaction with WCC customer journey	88.8	85	G				
CS	Call abandonment rate	3.8	5	G				
CS	On-line customer service transactions	80	80	G				
CS	Number of visits (per population)	2.8	2.8	G				
IA	Medium and high level information incidents reported	50	50	G				New baseline target for 2016/17
IA	Availability of IT key systems through core infrastructure to users	99.67	99	G				
IA	Remote availability of IT key systems to users through mobile devices	75	75	G				
IA	Coverage for Warwickshire of high speed broadband / internet access for all premises and small businesses	91.5	91.5	G				
F	WCC's statutory reports (WCC Statement of Accounts) are produced to deadline	100	100	G				Unaudited accounts were published by the deadline of 30 June.
F	Statutory reports are unqualified by External Auditors (WCC)	100	100	G				Accounts are not finalised until 30 September
F	WCC's statutory reports (Pension Fund) are produced to deadline	100	100	G				Unaudited accounts were published by the deadline of 30 June.

OUTCOME		2016/17 PERFORMANCE						
Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership		Year-end Forecast at Q1	Target	Quarterly Year-End Forecasts 2016-17				Commentary
KEY BUSINESS MEASURES				Q1	Q2	Q3	Q4	
F	Financial reports considered by Corporate Board, GLT, Cabinet & Council (on the budget, quarterly monitoring & the Statement of Accounts) produced on the agreed dates	100	100	G				Process for recording performance on this measure is currently being put in place
F	Amount of Cash Return on Invested Capital, expressed as ratio over LIBID (or other target agreed in the Council's Treasury Management Strategy), and Other County Councils Benchmark	373.333.	100	G				
F	Statutory reports (Pension Fund) are unqualified by Ext auditors	100	100	G				Accounts are not finalised until 30 September
L&G	Number of complaints upheld by the Ombudsman	8	8	G				
L&G	Audit recommendations implemented vs recommended	64.93	66.04	A				Will be measured during Q3
L&G	Legal challenges / adverse judgments	0	0	G				
HROD	Staff sickness	10.27	10.05	A				
HROD	Staff turnover	15.18%						
HROD	Positive employee engagement score	70%	70%	G				

OUTCOME		2016/17 PERFORMANCE						
Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership		Year-end Forecast at Q1	Target	Quarterly Year-End Forecasts 2016-17				Commentary
KEY BUSINESS MEASURES				Q1	Q2	Q3	Q4	
HROD	Compliance with statutory requirements or maintain 100% compliance	100%	100%	G				
PA	Target asset receipts received (as %)	145.7	100	G				Forecasted total receipts for 2016/17 (i.e. by year end) are £15.886M i.e. above target BUT this is dependent on an initial payment resale of land at Europa Way (Forecast £7.5M) before 31.3.2017 which is at risk. If sale of land at Europa Way is not completed before 31.3.2017 the revised estimate receipts for his year is £8.386M which is below target.
PA	WCC Council property footprint (sq. mtrs)	12.36	100	G				
PA	Non-compliance per £1m of operational property expenditure	4	4	G				Based on a centralised property budget of £5.3million
PA	Actual project delivery time to planned delivery time	96	90	G				
PBU	Benefits delivered from high priority projects & programmes (as agreed by CTB)	90	90	G				
PBU	Variance between actual quarterly milestones & planned quarterly milestones	10	10	G				

OUTCOME		2016/17 PERFORMANCE							
Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership		Q1 Actual	Year-end Forecast At Q1	Target	Quarterly Year-end Forecasts 2016-17				Commentary
KEY BUSINESS MEASURES					Q1	Q2	Q3	Q4	
F&R	Number of justified complaints	0	0	0	G				
F&R	Number of complaints received for County	1	12	12	G				
F&R	% Customer satisfaction level for County	98.3	95	95	G				
F&R	£K forecast savings at Year End for County	860	860	860	G				
F&R	Revenue outturn -% forecast variance to budget for County	0.4	0.4	-2	R				If the pensions underspend is excluded from the Q1 position the Service is 0.4% overspent as highlighted in the Revenue Summary Table in section 4.
F&R	Capital programme -% variance to budget for County	20	20	0	R				Capital slippage is a result of delays in the commencement of the Training Centre construction due to environment issues which will result in much of the expenditure planned for this year being delayed until the next financial year.

OUTCOME		2016/17 PERFORMANCE							
Our communities and individuals are safe and protected from harm and are able to remain independent for longer		Q1 Actual	Year-end Forecast at Q1	Target	Quarterly Year-end Forecasts 2016-17				Commentary
KEY BUSINESS MEASURES					Q1	Q2	Q3	Q4	
F &R	Number of P1 Incidents Attended	28	200	201	G				
F&R	Number of P2 Incidents Attended	90	300	301	G				
F&R	Number of P3 Incidents Attended	191	1300	1380	G				
F&R	Number of P4 Incidents Attended	259	850	875	G				
F&R	Number of P5 Incidents Attended	235	320	327	G				
F&R	Total number of preventable fire related deaths	0	0	0	G				
F&R	Number of delivered HFSCs for County	588	4000	4000	G				
F&R	Number of students receiving Fatal Four Education Sessions for the County	205	1500	1500	G				
F&R	Total number of fire related injuries	4	20	22	G				
F&R	Number of site specific inspections delivered	235	600	600	G				
F&R	% of time an appliance arrives at life risk or property incidents within 10 mins of mobilisation based on revised type	79.58%	75%	75%	G				
F&R	% of time a 2 nd appliance arrives at life risk or property incidents within 15 mins of mobilisation based on revised type	77.61%	80%	90%	R				Response standards performance for the second attending appliance is currently performing below target and is forecast to miss yearend target. Analysis of causes indicate that the locations of the incidents has been a challenge with many occurring within rural or hard to reach places such as the motorway where access is difficult. Availability of RDS appliances is also a factor with some appliances having to travel further.

OUTCOME		2016/17 PERFORMANCE							
The health and wellbeing of all in Warwickshire is protected		Q1 Actual	Year-end Forecast as at Q1	Target	Quarterly Year-end Forecasts 2016-17				Commentary
KEY BUSINESS MEASURES					Q1	Q2	Q3	Q4	
F&R	% of IC competency amongst Flexi Duty Officers	98	98	100	A				During June 1 Officer had not completed his competency levels assessment which has had an impact on the year to date
F&R	Averaged competency level (in %) for WDS and RDS staff in 8 risk critical competency areas	92	96	100	A				In reality 100% is an aspirational target due to recently recruited RDS personnel undergoing their development courses
F&R	Number of RIDDOR reportable accidents for County	0	6	6	G				
F&R	Average sick days per FTE for County	2.28	7	7	G				Absence level year to date stands at 2.28 average per FTE at end of June. YTD absence for 15/16 at this point was 1.79. Overall absence at the end of 15/16 was 8 days per FTE. The target this year is no more than 7 days per FTE. There are currently some long terms sickness absence which are being managed through occupational health with regular assessment to ensure that individuals are able to return to work as soon as possible.
F&R	Number of days lost as a result of an adverse event (within reporting period) for County	N/A	N/A	586	N/A				HR and Occupational Health have been working together to create a new robust and accurate reporting process across the year. However, information is not available for Q1 reporting
F&R	Number of RDS firefighter vacancies (FTE) for County	34	23	20	R				Currently the level of RDS vacancies is running at 34 and the Service continues to deal with the challenges of the RDS system.
F&R	Number of WDS firefighter vacancies (FTE) for County	6	0	0	G				The number of whole time firefighter vacancies is being managed closely and is currently running at 6. As WFRS enters phase 2 of our Transformation programme and a new duty system is established these vacant posts will be protected and contribute to the savings without the need for compulsory job losses. In order to maintain availability of fire engines temporary fixed term contracts will be used and the year-end estimate takes this into account.
F&R	Number of exercises and training events in preparation for major events	9	30	12	G				

4. Financial Commentary

4.1 Revenue Budget

4.1.1 The Council has set the following performance threshold in relation to revenue spends: a tolerance has been set of zero overspend and no more than a 2% underspend. The following table shows the forecast position for the Business Units concerned.

	2016/7 Budget	2016/17 Outturn	Revenue Variance		Retained reserve	Balance/Financial Standing
	£'000	£'000	£'000	%	£'000	£'000
Customer Services	8,890	9,042	152	1.71% overspent	665	(513)
Finance	4,019	3,240	(778)	19.38% underspent	(96)	(875)
HR & OD	6,005	5,804	(201)	3.35% underspent	(549)	(750)
Information Assets	9,893	9,960	67	0.68% overspent	(1,099)	(1,032)
Law & Gov	935	905	(30)	3.25% underspent	(20)	(50)
Performance	3,882	3,848	(34)	0.88% underspent	(3)	(37)
Physical Assets	10,475	10,335	(140)	1.34% underspent	(402)	(542)
Fire & Rescue	19,686	19,613	(73)	0.37% underspent	(444)	(517)

4.1.2 The reasons for any over-spends and under-spend of more than 2% are given below.

Overspends

4.1.3 Customer Service –The forecast overspend of £0.152 million is due to the Supporting People Programme and will be partly funded from underspends in other service areas. The Supporting People is a programme which aims to enable vulnerable people to maintain or achieve independence through the provision of housing-related support and is delivered by all top tier authorities, in partnership with housing, health, adult social care and probation.

4.1.4 Information Assets – The forecast overspend of £0.067 million is a result of the service traded with schools potentially not meeting its full trading target.

Underspends (above -2% Tolerance)

- 4.1.5 Finance – The main reason for the forecast underspend of £0.779 million is the receipt of additional income from a VAT claim, which is a one off receipt. Underspends have also been delivered by holding vacancies in order to fund future savings targets.
- 4.1.6 Human Resources – The forecast underspend of £0.201 million is due to holding open staff vacancies against future savings plans.
- 4.1.7 Law & Governance – The forecast underspend of £0.030 million is due to a number of small savings across a number of services.

4.2 Reserves

- 4.2.1 Business Units are seeking Members' approval to put funds into reserves to support the delivery of services in future years. The specific proposals which Cabinet were asked to approve are:

Resources Group (£0.652 million)

To support Resources Transformation programme in future years, including support for major projects with a technical finance dimension (e.g. West Midlands Combined Authority, 100% local retention of Business Rates etc.)

- 4.2.2 Business Units also sought approval to drawdown from reserves to support the delivery of their plans in the current financial year as follows:

Customer Service (£0.041 million)

To provide additional grants under the Welfare Scheme.

Information Assets (£1.036 million)

- £1.031 million as revenue contribution the BDUK Project.
- £0.005 million as contribution to the development of the schools IT service.

Resources Group (£0.067 million)

This will fund a fixed term appointment of someone with bidding expertise, to help develop our traded services and strengthen or competitiveness in tendering for work.

4.3. Delivery of the Savings Plan

4.3.1 The savings targets for the Business Units concerned are shown in the table below.

	2016/17 Target	2016/17 Actual to Date	2016/17 Forecast Outturn	Implementation Status
	£'000	£'000	£'000	
Customer Services	402	0	402	G
Finance	250	0	250	G
HR & OD	347	0	347	G
Information Assets	567	0	567	G
Law & Governance	30	29	30	G
Performance	200	200	200	G
Physical Assets	1,061	389	1,061	G
Fire & Rescue	860	825	860	G

4.4 Capital Programme

4.4.1 The table below shows the approved capital budget for the business units concerned and the year-end forecasted position

	All current & Future Years Approved Budget £'000	New approved funding/ schemes	All Current & Future Years Forecast £'000	2016/17 Approved Budget £'000	Slippage from 2016/17 into future years
Customer Services	3,528	0	3,528	3,528	(2,897)
Finance	0	0	0	0	
HR & OD	0	0	0	0	
Information Assets	24,639	70	24,709	4,625	0
Law & Governance	0	0	0	0	
Performance	0	0	0	0	
Physical assets	33,408	6,067	39,475	12,785	(788)
Fire & Rescue	9,865	1,721	11,586	6,230	(1,260)

4.4.2 The reasons for the slippage compared to the approved budget are:

- Customer Service - The slippage of £2.897 million is due to the correction of prior year profiling errors on the Improving the Customer Experience/One Front door project.
- Physical Assets – The slippage of £0.788 million is due to the 2017/18 Rural Services Capital Maintenance allocation being moved out of 2016/17 and into the correct year.
- Fire and Rescue - The slippage of £1.260 million is due to spending on the new training centre which has slipped into later years. Details of the new spend profile are in the Cabinet report of 19th July 2016.

5. Supporting Papers

5.1 A copy of the full report that went to Cabinet on the 8th September is available via the following link: [OOP Progress Report Cabinet 8 September 2016](#) OOP 2016/17 Q1 Progress Report Cabinet 8th September 2016 and the supporting Business Background Information relevant to the remit of this Committee, which also went to Cabinet on 8th September, is available in each of the Group Rooms.

6. Background Papers

None.

Authors:	Sushma Soni, Performance & Improvement Officer (Policy Lead)
Heads of Service	Kushal Birla – Customer Service, Resources
	John Betts – Finance, Resources
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	Tonino Ciuffini – Information Assets, Resources
	Sarah Duxbury – Law & Governance, Resources
	Tricia Morrison – Performance, Resources
	Steve Smith – Physical Assets, Resources
	Rob Moyney – Deputy Chief Fire Officer, Resources
Strategic Directors	David Carter, Resources Group
	Andy Hickmott, Chief Fire Officer, Fire & Rescue
Portfolio Holders	Cllr K Kaur
	Cllr J Horner

Appendix A - Resources & Fire & Rescue Outcomes

Service	Outcomes
Customer Services	<ul style="list-style-type: none"> • Customer experience of WCC Registration service is maintained and the service is delivered at a reduced cost. • WCC's Library usage is maintained and residents' access to WCC services through them is improved. • Residents' access to WCC's customer services is improved and their end-to-end customer journeys are seamless. • The Public and WCC Staff understanding of WCC's services, as well as marketing and communications support for WCC activities are both increased.
Finance	<ul style="list-style-type: none"> • Strategic finances are managed to ensure that strategic risks are reduced and the Council's objectives are delivered. • The cost of transactional support to Council Cost Centre Managers is reduced and the Council's requirements are delivered. • Financial reporting meets both the Council's and statutory requirements. • The Council's financial investments are effectively managed to reduce risk and increase financial return.
HR & OD	<ul style="list-style-type: none"> • Strategic HR service meets WCC Senior Manager's expectations and improves business decision making. • Employee Relations service improves employee engagement and delivers statutory requirements. • The cost of HR transactions for WCC is lowered. • L&OD activities improve staff knowledge and skills and are aligned to WCC's cultural and service improvement agenda.
Information Assets	<ul style="list-style-type: none"> • Warwickshire Superfast Broadband project supports economic growth and residents' access to the internet is improved. • Information Assets manages its ICT infrastructure & systems to ensure that IT is available and accessible to staff and customers. • IA ensures that WCC meets its information management & security requirements. • IA realises improved service delivery outcomes for Groups and Business Units through the use of new technology at a reduced cost.
Law & Governance	<ul style="list-style-type: none"> • The Council's business objectives are achieved *with Legal services delivered* at a reduced cost. • WCC's strategic decision making is enhanced and statutory requirements are met. • WCC's organisational exposure to risk is reduced through improved legal and governance activities.
Performance	<ul style="list-style-type: none"> • The successful delivery of Corporate outcomes is increased through improved planning and performance management arrangements across WCC. • The WCC decision making process is improved through the more timely provision of accurate business intelligence and insight which is relevant to the decisions being taken. • The Council's transformation outcomes are successfully

	<p>delivered.</p> <ul style="list-style-type: none"> • The cost of providing business support services to the Resources Group and core partners is reduced.
Physical Assets	<ul style="list-style-type: none"> • WCC's financial return from the strategic management of its property portfolio and assets including the smallholdings estate is increased. • Hard and soft facilities management services operate effectively to enables business continuity for the council and its partners and are delivered at reduced cost to WCC. • Capital projects are delivered on time and to budget.
Fire & Rescue	<p>The Public is kept safe</p> <ul style="list-style-type: none"> • We understand and proactively manage the risk in our county • We help our businesses and communities, particularly the most vulnerable, to be safe • We provide an effective response to fires and other emergencies <p>Firefighters are kept safe</p> <ul style="list-style-type: none"> • We are operationally assertive, confident and safe • Our staff feel supported, valued and engaged <p>We do our very best</p> <ul style="list-style-type: none"> • We are organisationally efficient and constantly seek improvements

Resources and Fire & Rescue Overview and Scrutiny Committee

15 September 2016

Treasury Management Monitoring Report 2015/16

Recommendation

That the Resources and Fire & Rescue Overview and Scrutiny Committee considers and comments on Treasury Management in respect of 2015/16.

1 Introduction

1.1 Warwickshire County Council fully complies with the requirements of The Chartered Institute of Public Finance and Accountancy's (CIPFA's) Code of Practice (COP) on Treasury Management (Revised) 2009. The primary requirements of the Code are the:

- creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- receipt by the Cabinet of an Annual Treasury Management Strategy Report for the year ahead, a midyear review report (as a minimum) and an annual review report of the previous year.
- delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices, and for the execution and administration of treasury management decisions.

1.2 Under the CIPFA Code, the Cabinet is required to receive a report on the outturn of the annual treasury management activity for the authority. Monitoring reports regarding treasury management are an agenda item for the Corporate Services Overview and Scrutiny Committee throughout the year.

1.3 Treasury management in the context of this report is defined as:

"The management of the local authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks

associated with those activities; and the pursuit of optimum performance consistent with those risks.” (CIPFA Code of Practice).

2 Investments

2.1 The Council has an investment portfolio consisting of reserves and cash arising from daily receipts being in excess of payments on a short term basis.

2.2 Security and liquidity of cash was prioritised above the requirement to maximise returns. The Council adopted a cautious approach to lending to financial institutions, and continuously monitored credit quality information regarding the institutions on the Council’s approved Lending List.

2.3 The Council’s investment portfolio at the end the financial year 2015/16 was as follows:

Table 1: Investment Position at 31 March 2016

	Invested at 31 March 2016
	£m
In house deposits	51.764
Money Market/External Funds	183.991
Total	235.756

2.4 Performance of the Council’s investments (weighted) versus the benchmark was:

Table 2: Investment Performance to 31 March 2016

	Average Interest rate year to date	Target rate: 7 day LIBID	Variance
	%	%	%
In house deposits	0.54	0.36	0.18
Money Market/External Funds	1.27	0.36	0.91
Total	1.08	0.36	0.72

2.5 The interest earned on the Council's investments was as follows:

Table 3: Interest Earned to March 2016

	Year to date
	£m
In house deposits	0.373
Money Market/External Funds	2.822
Total	3.194

2.6 The table below details our consultant's view on interest rates. As a result of the EU referendum outcome, base rate, and therefore Money Market rates, are likely fall from their already low 2015/16 levels and remain low until mid-2019.

Table 4: Interest Rate Forecast

	Present – Dec 2016 %	Jan 2017 – Mar 2018 %	Apr 2018 – Jun 2019 %	Jun 2019 %
Interest Rate Forecast	0.25	0.10	0.25	0.50

Source: Capita

3 Debt Financing

3.1 As at 31st March 2016 the authority had borrowing held with The Public Works Loans Board (PWLB) of £378.411m. The weighted average interest payable on the loans during 2015/16 was 4.86%. Total interest payable for the year was £18.631m.

3.2 During the financial year, maturing debt of £5.061m was repaid. The weighted average interest rate of repaid debt was 8.95%. The County did not undertake any new long term borrowing in 2015/16.

4 Compliance with Treasury Limits and Prudential Indicators

4.1 During 2015/16, the Council operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Policy Statement and Treasury Management Strategy. Full details of the Prudential Indicators set for 2015/16 are shown in **Appendix A**. Explanations of the terminology employed is set out in **Appendix B**.

5 CIPFA Benchmarking

- 5.1 Warwickshire County Council takes part in the annual CIPFA treasury management benchmarking statistics. The main points of which are summarised below:-
- 5.2 Warwickshire County Council achieved a return on investments of 1.08% in 2015/16 compared to similar authorities who achieved an average return of 0.87%.
- 5.3 The above return was generated despite having a significantly shorter weighted average duration risk on its portfolio of 12.9 days, when compared to other authorities' average of 112.8 days.
- 5.4 The higher return with shorter duration was largely in as a result of Warwickshire County Council having a higher than average balances with external funds (e.g. Social Bond Fund) equivalent of 27% of the portfolio compared with 2% for other authorities.
- 5.5 Warwickshire County Council's weighted average interest rate for the 2015/16 was 4.86%, which is marginally higher than the authority average of 4.69%

Background Papers

None

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Report Author	Mathew Dawson, Treasury and Pension Fund Manager	01926 412227 mathewdawson@warwickshire.gov.uk
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The report was circulated to the following members prior to publication:

Local Member(s):

Other members: Councillor John Appleton, Nicola Davies, Neil Dirveiks, Peter Fowler, John Horner, Kam Kaur, Phillip Morris-Jones and Matt Western

Appendix A

PRUDENTIAL INDICATOR	2014/15	2015/16	2016/17	2017/18	2018/19
(1). AFFORDABILITY PRUDENTIAL INDICATORS					
	Actual	Actual	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000
Capital Expenditure	76,116	85,733	88,677	52,529	15,211
	%	%	%	%	%
Ratio of financing costs to net revenue stream	9.23	8.86	8.90	8.81	8.67
	£'000	£'000	£'000	£'000	£'001
Gross borrowing requirement					
Gross Debt	393,485	388,424	363,424	362,274	352,274
Capital Financing Requirement as at 31 March	305,357	319,361	332,560	328,289	312,113
Under/(Over) Borrowing	(88,128)	(69,062)	(30,864)	(33,985)	(40,160)
	£'000	£'000	£'000	£'000	£'001
In year Capital Financing Requirement	(15,569)	14,004	13,198	(4,271)	(16,175)
	£'000	£'000	£'000	£'000	£'001
Capital Financing Requirement as at 31 March	305,357	319,361	332,560	328,289	312,113
	£	£	£	£	£
Affordable Borrowing Limit					
Position as agreed at March 2016 Council	-5.96	1.90	5.05	-2.53	-2.35
Increase per council tax payer					
Updated position of Current Capital Programme					
Increase per council tax payer	-5.96	-5.81	1.32	-1.94	-1.79
	£	£	£	£	£
PRUDENTIAL INDICATOR	2014/15	2015/16	2016/17	2017/18	2017/19
(2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS					
	<u>approved</u>	<u>approved</u>	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'001
Authorised limit for external debt -					
Borrowing	501,915	526,219	497,346	461,130	449,993
other long term liabilities	12,000	12,000	12,000	12,000	12,000
TOTAL	513,915	538,219	509,346	473,130	461,993
	£'000	£'000	£'000	£'000	£'001
Operational boundary for external debt -					
Borrowing	418,263	438,516	414,455	384,275	374,994
other long term liabilities	10,000	10,000	10,000	10,000	10,000
TOTAL	428,263	448,516	424,455	394,275	384,994
Upper limit for fixed interest rate exposure					
Net principal re fixed rate borrowing / investments	100%	100%	100%	100%	200%
Upper limit for variable rate exposure					
Net principal re variable rate borrowing / investments	25%	25%	25%	25%	25%
	£	£	£	£	£
Upper limit for total principal sums invested for over 364 days (per maturity date)	£0	£0	£0	£0	£0
Maturity structure of new fixed rate borrowing during 2014/15	upper limit	lower limit			
under 12 months	20%	0%			
12 months and within 24 months	20%	0%			
24 months and within 5 years	60%	0%			
5 years and within 10 years	100%	0%			
10 years and above	100%	0%			

PRUDENTIAL INDICATORS

Ratio of financing costs to net revenue stream

The ratio of financing costs to net revenue stream shows the estimated annual revenue costs of borrowing, less net interest receivable on investments, plus repayments of capital, as a proportion of annual income from council taxpayers and central government. The estimates of financing costs include current and future commitments based on the capital programme.

Gross Borrowing

Gross borrowing refers to the Authority's total external borrowing and other long term liabilities versus the Capital Financing Requirement (CFR).

Actual and Estimated Capital Expenditure

Actual and estimates of capital expenditure for the current and future years.

Capital Financing Requirement

The CFR represents capital expenditure financed by external debt and not by capital receipts, revenue contributions, capital grants or third party contributions at the time of spending. The CFR measures the Authority's underlying need to borrow externally for a capital purpose. The Authority has a treasury management strategy which accords with the CIPFA Code of Practice for Treasury Management in the Public Services.

Authorised Limit

In respect of its external debt, the Authority approves authorised limits for its total external debt gross of investments. These limits separately identify borrowing from other long-term liabilities such as finance leases. Authorised Limits are consistent with the Authority's current commitments, service plans, proposals for capital expenditure and associated financing, cash flow and accord with the approved Treasury Management Policy statement and practices. The Authorised Limit is based on the estimate of most likely prudent, but not necessarily the worst case scenario and provides sufficient additional headroom over and above the Operational Boundary.

Operational Boundary

The Operational Boundary for external debt is based on the same estimates as the authorised limit but reflects the Head of Finance's

estimate of the most likely, prudent but not worst case scenario, without the additional headroom included within the authorised limit to allow for unusual cash movements, and equates to the maximum of external debt projected by this estimate. The operational boundary represents a key management tool for in-year monitoring. Within the operational boundary, figures for borrowing and other long-term liabilities are separately identified.

Limits on Interest Rate Exposure

This means that the Authority will manage fixed and variable interest rate exposure within the ranges. This provides flexibility to take advantage of any favourable movements in interest rates.