

Resources, Fire & Rescue Service Overview & Scrutiny Committee

14th December 2022

Council Plan 2022-2027 Integrated Performance Report Quarter 2 2022/23

Period under review: April to September 2022

Recommendations

That the Committee considers and comments on Quarter 2 organisational performance, progress against the Integrated Delivery Plan, management of finances and risk.

1. Executive Summary

- 1.1 The wider national context is a critical frame within which to view the Council's performance. The UK is experiencing the consequences of both significant political, global and macro-economic turbulence, including two recent changes of UK Government, the impact of the Pandemic, and the war in Ukraine. High inflation, rising interest rates and the resulting fiscal challenges are impacting the cost of living, increasing pressure on an already tight labour market, demand for public services and public finances.
- 1.2 Such an unprecedented combination of events at a global and national level leaves the country facing a period of significant uncertainty and a very challenging financial outlook in the short- to medium-term. This volatility is impacting on the Council's resources, both financial and in terms of recruitment and retention, levels of demand, and increased uncertainty about a number of key national policy areas including Adult Social Care reform, devolution, levelling up and climate change.
- 1.3 Inevitably these factors, which were not anticipated at the time the Integrated Delivery Plan and the Performance Management Framework were developed, are impacting on our priorities, focus, capacity and project delivery timescales. The reporting of performance will track and highlight these impacts on delivery and performance, and inform the basis of prioritising activity and resource allocation as we undertake the refresh of the Integrated Delivery Plan.
- 1.4 This report summarises the Council's performance at the end of the second quarter (April-September 2022) against the strategic priorities and Areas of Focus set out in the Council Plan 2022-2027. All information contained within this report has been taken from the Quarter 2 Integrated Performance and Finance reports Cabinet considered on the 10th November. Performance is

assessed against the Key Business Measures (KBMs) contained within the agreed Performance Management Framework. This is summarised in Section 2 and more fully presented within Appendix 1.

- 1.5 Progress against the Integrated Delivery Plan is summarised in Section 3 and more fully presented within Appendix 2.
- 1.6 Management of Finance is summarised in Section 4 and the summary table is presented in Appendix 3.
- 1.7 Management of Risk is summarised in Section 5 and more detailed information is presented in Appendix 4.
- 1.8 The paper sets out a combined picture of the Council's delivery, performance, and risk. Officers are still embedding this new approach and performance framework, and a number of new measures will not be available for reporting until Year End. The format and content of these integrated performance reports will continue to evolve over the course of the current financial year.
- 1.9 Quarter 2 has seen a marginal decline in performance compared with the Quarter 1 position, reflecting the increasingly volatile, uncertain, and high-risk external environment which is impacting on resources and the wider economic environment, capacity and certainty about a number of key policy areas.
- 1.10 Of the 24 KBMs available for reporting this quarter the following table indicates an assessment of performance, compared to Quarter 1:

Quarter	On Track	Not on Track
1	71% (15)	29% (6)
2	62% (15)	38% (9)

- 1.11 Appendix 1 details performance for all the Committee related measures within the Performance Management Framework. Detailed measure-by-measure performance reporting is accessible through the 2022/23 Performance Portal available through this [link](#).
- 1.12 There are some key emerging themes highlighted by this report, including:
 - Increasing demand being reported in services specifically in the People Directorate and within Business and Customer Services such as the Local Welfare Scheme and the Customer Service Centre; and
 - Capacity issues are impacting delivery across the organisation. Difficulties in recruiting and retaining staff in a highly constrained national and local labour market are reflected within the commentary on the Integrated Delivery Plan and performance; given significant and growing financial/inflationary pressures, there is no easy solution to these strategic workforce issues, which are being considered by our HR Strategy team.
- 1.13 Notable aspects of positive performance for specific measures include:

- % of applications made to the Warwickshire Local Welfare Scheme which are supported, currently achieving 92%;

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

- a number of measures relating to our people and how we work which are performing strongly, particularly strong performance on measures relating to the recent staff engagement survey.

1.14 The main performance challenges relate to:

- fire response times within agreed standards, and the number of fire-related deaths and injuries which are exceeding the agreed targets;
- Dedicated Schools Grant High Needs % overspend compared to DSG recovery plan as target is being exceeded; and
- the percentage of schools with a deficit budget remains above the target of zero and is likely to decline as a result of inflationary pressures impacting school budgets, particularly due to pay awards that are not fully funded.

1.15 The report sets out services' projected performance trajectory, which recognises a more volatile than usual environment as a result of external factors.

1.16 The position is also positive in terms of delivery of the 59 actions set out in the Integrated Delivery Plan, with 76% being On Track and a further 2% Complete. Seventeen per cent of actions are At Risk or Compromised and 5% have yet to start, and it is these actions which are reported on in Appendix 2 on an exception basis.

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

1.18 At Quarter 2, relating to the remit of this committee there are 2 corporate strategic risks with a red (high) rating: economic growth slowing or stalling and inflation / the cost of living. In addition, at a service level there are two risks that are rated red (high) and which at the same time have had an actual risk rating greater than their risk target for 3 quarters: on call availability and protection capacity within Fire and Rescue Services.

2. Performance against the Performance Management Framework

2.1 The three strategic priorities set out in the Council Plan 2022 - 2027 are delivered through seven Areas of Focus. In addition to these, there are three further areas to support the Council to be known for as 'a Great Council and Partner'. The full performance summary is contained in Appendix 1.

2.2 A set of high-level Warwickshire Outcome Measures, where we can influence improvement in performance but do not solely own, are also contained in the

Performance Management Framework. Reporting against these is under development and will inform our ongoing State of Warwickshire reporting.

- 2.3 Comprehensive performance reporting is enabled through the Power BI link [2022/23 Performance Portal](#) as part of the revised and adopted Performance Management Framework.
- 2.4 The new approach to performance reporting is evolving, building on the recommendations of the Member Working Group. The number of reportable measures will change each quarter as the framework considers the availability of new data.
- 2.5 There are 31 KBMs in total that are in the remit of this Committee. Chart 1 of Appendix 1 details the reported status of the 24 KBMs which are being reported at Quarter 2, all of which have a measure status. 62% (15) KBMs are considered On Track and 38% (9) Not on Track, this is a marginal decline from Quarter 1 when 71% (15) KBMs On Track and 29% (6) Not on Track.
- 2.6 All 24 of the reportable measures have a forecast projection from the responsible service for the forthcoming period. 15 measures are forecasting to be On Track at Quarter 2, of which 1 is forecast to improve, 12 to remain static over the next quarter and 2 to decline. 9 are forecast to be Not on Track, with 3 forecast to improve, 1 to decline and the other 5 to remain static at the next reporting period.
- 2.7 As an agile approach is being taken to the new Performance Management Framework is being taken there are a number of developments that have been proposed to and agreed by Cabinet:
 - new School Places measures are included in the Framework going forward to support the ongoing development of processes and systems in this area;
 - two new KBMs are included in the Framework to support the 'Harnessing Community Power' Area of Focus
 - Total no. of community groups
 - Total amount of money going into community groups

3. Progress against the Integrated Delivery Plan

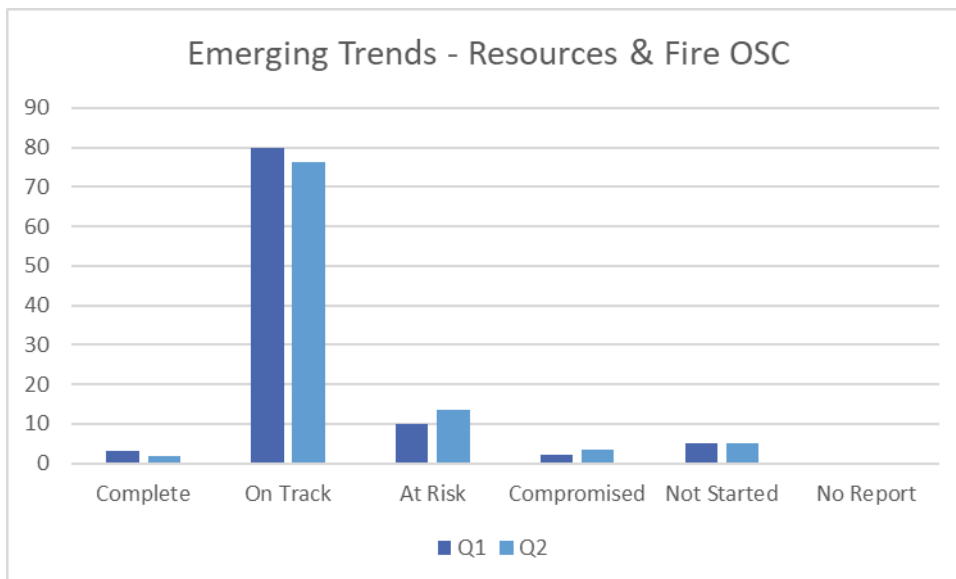
- 3.1 The Integrated Delivery Plan aligns priority activity from across all service areas against all Areas of Focus within the Council Plan 2022-27. The plan shows how activity across services collectively contributes to delivering these priorities.
- 3.2 Detailed information on the performance summary of the Integrated Delivery Plan is included at Appendix 2. A new [Power BI reporting dashboard](#) is now available and will enable Members to track progress by Service, status, Council Plan Area of Focus, Overview and Scrutiny Committee and Portfolio Holder.

3.3 Of the 214 remaining actions within the Integrated Delivery Plan, 59 are attributable to the Resources, Fire and Rescue OSC. Detailed information on the performance summary of the Integrated Delivery Plan in relation to Resources & Fire & Rescue is included at Appendix 2. The majority of deliverables are on track or complete (76%), 17% are At Risk or Compromised and 5% are yet to start. Any exceptions are covered in Appendix 2.

3.4 Important points to flag in terms of delivery are:

- Commencement of the implementation of the new Customer Relationship Management System is delayed due to understanding impact of additional organisational demand (e.g., Adult Social Care Reform) and subsequently to assure benefits within services contributing to the organisational Medium Term Financial Strategy savings associated with the Digital Roadmap. As a result, it is anticipated that Horizon 1 will continue through 2023/24 Financial Year rather than completing at March 2023.
- The review of our culture to enable delivery of the Council plan and support our values and behaviours has been de-prioritised. It was decided to focus activity on strategic workforce planning, rather than reviewing the culture. This work will be picked up in future years.

3.5 The graphic below shows emerging trends in terms of status of the activities by percentage.



4. Management of Finance

4.1 The key metrics of financial management are summarised below with further information available in Appendix 3 and in the Finance Monitoring Report presented to Cabinet on 10th November 2022.

Metric	Target	Service	Performance at Quarter 2 2022/23
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Performance against the latest approved revenue budget as measured by forecast under/overspend	On budget or no more than 2% underspent	Business and Customer Services	3.8%
		Commissioning Support Unit	(8.4%)
		Enabling Services	(5.5%)
		Finance	(4.4%)
		Governance & Policy	(2.7%)
		Fire & Rescue	1.2%
Performance against the approved savings target as measured by forecast under/overachievement	100%	Business and Customer Services	100%
		Commissioning Support Unit	100%
		Enabling Services	100%
		Finance	100%
		Governance & Policy	96.0%
		Fire & Rescue	0%
Performance against the approved capital programme as measured by forecast delays in delivery	No more than 5% delay	Business & Customer Services	35.9%
		Enabling Services	0%
		Governance & Policy	18.8%
		Fire & Rescue	7.0%

5. Management of Risk

5.1 Risks are monitored in risk registers at a strategic/corporate level and at service level. At a corporate level the following strategic risks relating to Resources and Fire and Rescue Services are currently rated as red (high risk):

- Economic growth slows or stalls; and,
- Inflation and the cost of living.

5.2 Mitigating actions are in place in respect of these risks, for example the Council Plan including a number of activities to protect and promote the local economy and a MTFS planning process that is incorporating the risks of inflation.

5.3 At a service level there are 46 risks recorded against services relating to Resources and Fire and Rescue Services. Key risks are highlighted where

they are red risks (high risk) and where a risk level has been higher than the risk target for 3 quarters or more and is currently still 3 points or more over target. To highlight the key risks a table of both red risks and risks significantly above target is provided at Appendix 4. The risks that are both red and significantly above target are the most significant risks, which are:

- On Call Availability (Fire and Rescue Services); and,
- Protection Capacity (Fire and Rescue Services).

5.4 Mitigating actions are in place in relation to these risks, for example in respect of staff training, recruitment, resourcing, and improved ways of working.

6. Environmental Implications

6.1 There are none specific to this report.

Appendices

Appendix 1 – [Quarterly Performance Report](#)

Appendix 2 – [Progress on the Integrated Delivery Plan](#)

Appendix 3 – [Management of Financial Risk](#)

Appendix 4 – [Management of Risk](#)

Background Papers

Cabinet Report 10th November 2022

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