

Communities Overview & Scrutiny Committee

21 June 2023

Council Plan 2022-2027 Integrated Performance Report Year End 2022/23

Period under review: April 2022 to March 2023

Recommendations

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

1. Executive Summary

- 1.1 This report is a retrospective summary of the Council's performance at Year End (April 2022 - March 2023) 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 Year End Integrated Performance and Finance reports Cabinet considered on the 15th June. Performance is assessed against the Key Business Measures (KBMs) contained within the agreed Performance Management Framework (PMF) in Section 2 and Appendix 1a. Summary performance for the Warwickshire Outcome Measures is contained within Appendix 1b and changes to the PMF are outlined in the Appendix 1c.
- 1.2 Progress against the Integrated Delivery Plan is summarised in Section 3 and more fully presented within Appendix 2.
- 1.3 Management of Finance is summarised in Section 4 and the summary table is presented in Appendix 3.
- 1.4 Management of Risk is summarised in Section 5 and more detailed information is presented in Appendix 4.
- 1.5 The paper sets out a combined picture of the Council's delivery, performance, and risk. Officers are still embedding this new approach and performance framework, and at Year End a number of new measures are now available for reporting. The format and content of these integrated performance reports has continued to evolve within the current financial year. Both the Performance Management Framework and the Integrated Delivery Plan have recently been reviewed in preparation for the 2023/24 reporting period.

- 1.6 This summary report and the detailed performance appendices provide the complete picture of the Council's performance enabling scrutiny and transparency for the organisation, partners and the public. It enables Overview and Scrutiny Committees the opportunity to consider performance within their own remits. All Members also have continual access to the Performance Management Framework using the Performance Portal in Power Bi to further monitor performance on an ongoing basis.
- 1.7 Overall, for the Council's performance at Year End, with 10 more annual measures being reported, there has been a consistently, strong performance delivered against the PMF. This is an encouraging position despite the continuing volatile, uncertain, and high-risk external environment which is impacting on resources and the wider economic environment, capacity, and uncertainty about a number of key national policy areas.
- 1.8 There are 19 KBMs in total that are in the remit of this Committee and 16 KBMs are being reported at Year End. 1 KBM has a status of Not Applicable at this quarter as no grant funding applications have been supported for Regeneration & Place Shaping initiatives as none have been received at this point. For the KBMs available for reporting, the following table indicates an assessment of performance compared to previous Quarters this year:

Quarter	On Track	Not on Track
1	89% (8)	11% (1)
2	70% (7)	30% (3)
3	83% (10)	17% (2)
Year End	75% (12)	25% (4)

- 1.9 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 Performance Portal available through this [link](#).
- 1.10 There are some emerging issues within this Integrated Report, including:
- Previously Capacity and workload issues are impacting delivery across the organisation. Staff feedback has highlighted the issue which is a high priority. Difficulties in recruiting and retaining staff in a highly constrained national and local labour market have been highlighted previously and although overall there has been some improvement at Year End there remain issues within specific service teams. The Our People Strategy year 3 priorities have identified 5 key priority areas for action, recruitment and retention, pay and reward, strategic workforce planning, equality diversity and inclusion and engagement, which will be progressed through the year.
- 1.11 Notable aspects of positive performance relate to the “Promote inclusive, sustainable economic growth, successful business, good quality jobs and future skills” Area of Focus which is encouraging with 7 of the 9 KBMs considered On Track at Year End.

- 1.12 The main performance challenges relate to:
- the No. of Domestic Abuse Incidents reported to the Police which is behind prior year and considerably below target; and
 - the No. of properties better protected from flooding, which is significantly under target, with only 4 properties taking up the scheme across the year.

There is some delay in the ability to assess performance against 2 of the 4 KBMs supporting the “Tackle climate change, promote biodiversity and deliver on our commitment to Net Zero” Area of Focus with baselining and measurement mechanisms being developed.

- 1.13 The report sets out services’ projected performance trajectory, which recognises a more volatile than usual environment as a result of external factors.
- 1.14 The position is also positive in terms of delivery of the 58 Communities actions set out in the Integrated Delivery Plan, with 64% being On Track and 24% At Risk or Compromised and 3% not started and it is these actions which are reported on in Appendix 2 on an exception basis.
- 1.15 Three of the Council’s 18 strategic risks relate to the remit of this committee and currently have a red status:
- that economic growth slows or stalls;
 - inflation / the cost of living; and,
 - meeting 2050 climate change targets for the county.

At service level the key risks being highlighted are those that are currently rated red (high) risk and which at the same time have had a risk rating higher than the target risk rating for 3 quarters. There are currently 3 risks meeting this criteria relating to Adult and Community Learning funding, transport and highways scheme delays leading to loss of time limited funding, and SEND and mainstream transport pressures.

- 1.16 The wider national context remains a critical frame within which to view the Council’s performance. The UK continues to experience the consequences of both significant political, global and macro-economic turbulence, including industrial action across many sectors, the legacy impact of the pandemic, and the war in Ukraine. High inflation, rising interest rates and the resulting fiscal challenges are impacting the cost of living, increasing pressure on an already tight labour market, demand for public services and public finances.
- 1.17 Such an unprecedented combination of events at a global and national level creates 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 future national policy, particularly Adult Social Care reform, devolution, levelling up, cost of living and climate change Net Zero ambitions.

- 1.18 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. Our reporting will track and highlight these impacts on delivery and performance. Our analysis has informed prioritisation of activity and resource allocation during the refresh of the Integrated Delivery Plan, which was approved at the May Cabinet, and the Performance Management Framework.

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 Comprehensive performance reporting is enabled through the Power BI link [Performance Portal](#) as part of the revised and adopted Performance Management Framework. Where applicable, some performance figures may now have been updated on the reporting system. For the latest situation, please refer to the Performance Portal. The number of reportable measures will change each quarter as the framework considers the availability of new data.
- 2.3 Of the 16 KBMs, an increase from 12 at Quarter 3, which are being reported at Year End, 12 (75%) are On Track and 4 (25%) are Not on Track. There is one other measure being reported but has a status of Not Applicable as no grant funding applications have been supported for Regeneration & Place Shaping initiatives as none have been received to date. The only measure to deviate status from Quarter 3 to Year End was % of people with Special Educational Needs and Disabilities supported by Warwickshire Employment Support Team moving into employment which moved from On Track to Not on Track as more people joined the service.
- 2.4 Overall Direction of Travel for the KBMs, where there is sufficient data, shows that performance is positive and is improving or staying in the same positive position. There is just the one KBM, No. of Domestic Abuse Incidents reported to the Police, where the Direction of Travel is in the wrong direction and forecast indicates further decline expected.
- 2.5 All reportable KBMs 16 have a forecast projection from the responsible Service for the forthcoming period. Of the 13 measures that are forecast to be On Track at next reporting period, 46% (6) are forecast to improve, 46% (6) to remain static and 8% (1) is forecast to decline over the next quarter. For the 3 that are forecast to be Not on Track, performance is set to improve for 2 and decline for 1.

- 2.6 Of the 12 KBMs reported on at Quarter 3 with a service forecast, it was forecast that 10 would be On Track at Year End, with two Not On Track. Performance has materialised broadly as expected, with all but 1 KBM performing as forecast. The Service projections made at Quarter 3 for Year End were accurate so it is anticipated that the forecast for the next reporting period position made now will be accurate also.
- 2.7 A set of high-level, cross-cutting, long-term Warwickshire Outcome Measures, which the Council can influence but are not solely responsible for, are also contained in the Performance Management Framework. These are being reported as a summary for the first time within Appendix 1b with further reporting within a [dashboard](#) informing our ongoing State of Warwickshire reporting and includes Levelling Up and the Cost of Living metrics.
- 2.8 Of the 39 Warwickshire Outcome Measures that are currently reportable, Warwickshire performs better than the national average in 22 of them. The areas where Warwickshire outperforms the national average to the greatest degree include the employment rate, levels of pay, unemployment, homelessness and child poverty. Areas where Warwickshire's performance falls notably behind the national average include school attainment levels for disadvantaged children and greenhouse gas emissions per capita.
- 2.9 As an agile approach is being taken to the new Performance Management Framework changes for the 2023/24 reporting period are being requested and are outlined in Appendix 1c. The review of the Service Business Plans and the Integrated Delivery Plan have identified the changes being requested to ensure that the Performance Management Framework supports delivery of the agreed priorities.

3. Progress on 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 There are 192 remaining actions within the Integrated Delivery Plan, 58 of which are assigned to Communities. Detailed information on the performance summary of the Integrated Delivery Plan in relation to Communities is included at Appendix 2. The majority of deliverables are On Track (64%), 9% are Completed, 24% are At Risk or Compromised and 3% Not Started, with any exceptions covered in Appendix 2.

- 3.4 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.

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 [Cabinet Outturn Report](#) presented to Cabinet on 15th June 2023.

Metric	Target	Service	Performance at Outturn 2022/23
Performance against the latest approved revenue budget as measured by forecast under/overspend	On budget or no more than 2% underspent	Environment Services	13.1% overspent
		Strategic Commissioning Communities	9.8% Underspent

The headline revenue overspend reported at Outturn is £3.9m (5.1%), however, after funds have been transferred to earmarked reserves. The adjusted forecast position is £4.5m (5.9%)

Performance against the approved savings target as measured by forecast under/overachievement	100%	Environment Services	77%
		Strategic Commissioning Communities	97%
Performance against the approved capital programme as measured by forecast delays in delivery	No more than 5% delay	Environment Services	-8.5%
		Strategic Commissioning Communities	-27.3%
		S278 funded schemes	-10.5%

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 are more directly related to Communities OSC and are currently rated as red (high risk):

- Economic growth slows or stalls;
- Inflation and the Cost of Living; and
- 2050 county climate targets not met

5.2 Mitigating actions are in place in respect of these risks, for example the Council Plan prioritising the support of Warwickshire’s economy, working with regional and local partners to access available funding streams, a Medium Term Financial Strategy planning process that is incorporating the risks of inflation, enabling and promoting climate change action in the community for example through a dedicated website and specific initiatives such as the green shoots community climate change fund.

5.2 At a service level there are 15 risks recorded against services relating to Communities and Environmental Services. At service level at this reporting period there are 3 risks that are both red and over target relating to communities or environmental services:

- Loss of income for Adult and Community Learning (ACL).
- Transport and highways scheme delays leading to loss for time limited funding.
- SEND and mainstream transport pressures

To highlight the key risks a table of both red risks and risks significantly above target is provided at [Appendix 4](#).

5.4 Mitigating actions are in place in respect of these risks including for example identifying new ACL opportunities and contributing to national campaigning regarding ACL funding, and project management within transport and highways schemes.

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 15th June 2023

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