

Communities Overview & Scrutiny Committee

20th September 2023

Council Plan 2022-2027 Integrated Performance Report Quarter 1 2023/24

Period under review: April 2023 to June 2023

Recommendations

That the Committee considers and comments on Quarter 1 2023/24 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 the end of Quarter 1 (April 2023 - June 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 Quarter 1 Integrated Performance and Finance reports presented to Cabinet on 14th September. The paper sets out a combined picture of the Council's delivery, performance, HR, and risk.
- Performance is assessed against the Key Business Measures (KBM)s contained within the agreed Performance Management Framework (PMF) in Section 2 and Appendix 1.
 - Progress against the Integrated Delivery Plan is summarised in Section 3 and more fully presented within Appendix 2.
 - Management of Financial resources is summarised in Section 4 and the summary dashboard is presented in Appendix 3.
 - Management of Risk is summarised in Section 5 and more detailed information is presented in Appendix 4.
- 1.2 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.

The approach to strategic performance reporting continues to evolve. Members will be aware that there is a wealth of information and data, and we must use the analysis most relevant to our strategic priorities. At a service

level, there is also additional performance data which allows managers to manage the performance of the service day to day. In addition, nationally, Government is developing the role of the 'Office for Local Government' (OFLOG) and Warwickshire Officers are seeking to collaborate with OFLOG to ensure that a meaningful and useful data set is developed. We are keen to avoid an industry of performance reporting which might be burdensome and low value. As such, it is our aim that we streamline our performance data over the next year or so, to ensure that Members have the right and most useful performance data possible.

There are some key themes that emerged last year that continue to be highlighted in the Cabinet report, and are impacted by WCC's current operating environment, including:

- increasing demand and costs being reported in Children & Families Services, Adult Social Care, Home to School Transport and in the number of applications made through the Local Welfare Scheme;
- increasing demand is resulting in the capacity and workload issues which has a further impact on delivery across the organisation, evidenced through staff feedback and addressing this is acknowledged as a high priority for the organisation;
- difficulties in recruiting and retaining staff in a highly constrained national and local labour market were highlighted throughout 2022/23 and although overall there has been some improvement issues remain within specific service teams for example Children & Families, On-call firefighters, Waste & Environment, Schools, and Planning; and
- other services have specific challenges such as staff absence levels in Business & Customer Services, Children & Families and Adult Social Care.

Planned improvement activity to address these issues is described in section 4 of the 14th September Cabinet report.

- 1.3 The 2023/24 PMF was agreed at the June Cabinet meeting and, of the 105 KBMs detailed in that PMF, 88 are available for reporting in Quarter 1. There are 28 KBMs within the remit of this Committee, and 25 KBMs are available for reporting this Quarter. One measure is new for this year and will be reported at year end. Table 1 below indicates the current assessment of performance:

Quarter 1	On Track	Not on Track
Status	80% (20)	20% (5)

Table 1

Table 2 below indicates the Direction of Travel (retrospective comparison), however, please note not all measures have a status e.g. where they are new and there is insufficient trend data:

Quarter 1	On Track			Not on Track		
Direction of Travel	Improving	Static	Declining	Improving	Static	Declining
		27%(3)	64%(7)	9%(1)	0	0

Table 2

Table 3 below indicates the future projection forecast for the next reporting period:

Quarter 1	On Track			Not on Track		
Projection	Improving	Static	Declining	Improving	Static	Declining
		36%(8)	55%(12)	9%(2)	67%(2)	33%(1)

Table 3

- 1.4 At Quarter 1, with a refreshed PMF, the overall position is a slight improvement from the Year End position in terms of %age and is continuing a consistently strong performance delivered against the PMF. This is an encouraging position against the continuing volatile, uncertain, and high-risk operating environment.
- 1.5 [Appendix 1](#) details performance for all measures within the Performance Management Framework. Detailed measure-by-measure performance reporting is accessible through the [Performance Portal](#).
- 1.6 The position is also positive in terms of delivery of the 71 Communities actions set out in the Integrated Delivery Plan, with 72% being On Track and 20% At Risk or Compromised, 3% completed and 3% not started and it is these actions which are reported on in Appendix 2 on an exception basis.
- 1.7 At the end of Quarter 1 the services reporting to Communities OSC are forecasting an overspend of 4% of their combined revenue budget. Saving targets are forecast to be underachieved by £0.680m representing 28% of the saving target for the current financial year. 23% of the approved capital spend planned for 2023/24 is expected to be delayed (£23.116m) though 46% this relates to developer contributions where the timing of the delivery is outside of the Council's control.
- 1.8 Of the Council's 19 strategic risks, the following three risks are rated as red (high level) are more directly aligned to Communities OSC:
 - Economic growth slows or stalls;
 - Inflation and the Cost of Living; and
 - Sustainable Futures commitments for Warwickshire by 2050 not met.

- 1.9 At service level the key risks being highlighted are those that are currently rated red (high) risk, have had a risk rating higher than the target risk rating for 3 quarters and are more than 3 points above target: .
- Loss of income for Adult and Community Learning (ACL).
 - Transport and highways scheme delays leading to loss of time limited funding.
- A further risk is rated as red, SEND and mainstream transport pressures.
- 1.10 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 factors, including industrial action across many sectors, the legacy impact of the Pandemic, and the ongoing war in Ukraine, high inflation, rising interest rates and the resulting fiscal challenges are impacting the communities of Warwickshire.
- 1.11 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 the approach to developing national policy, particularly Adult Social Care reform, levelling up agenda, support for cost of living pressures and climate change Net Zero ambitions.
- 1.12 Performance reporting will continue to track and highlight the impacts of this operating environment on delivery and performance. Recent 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 updated 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, there are three further themes that will help the Council to be known 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 Performance Portal as part of the Performance Management Framework. Where applicable, some performance figures may now have been updated on the Power BI reporting system. The number of reportable measures will change each quarter as the framework considers the availability of new data.
- 2.3 Of the 25 KBMs, an increase from 16 at Year End, which are being reported at Quarter 1, 20 (80%) are On Track and 5 (20%) are Not on Track.

- 2.4 Notable aspects of positive performance for specific measures include:
- % of adult victim-survivors leaving the WCC commissioned Domestic Abuse support service who say that they feel safer compared to when they accessed the service, which is achieving 100% from 97% at Year End
 - No. of schools signed up to our Safe and Active Programme as performance has been positive;
 - No. of people with SEND supported by the Warwickshire Employment Support Service as this is a new area of work and numbers are encouraging;
 - No. of new jobs created as a result of Warwickshire Recovery & Investment Fund investment as benefits of the fund are being realised; and
 - both waste management measures, No. of tonnes of carbon emitted by the Council as a waste disposal authority and % of household waste re-used, recycled and composted, are forecast to achieve the Year End target.
- 2.5 There are 14 measures of the 25 available for reporting, where there is enough trend data available to ascertain a Direction of Travel. 79% (11) of measures have a Direction of Travel that is On Track, the majority of which (10) are either improving or static, only 1 is declining. Conversely, 21% (3) are Not on Track of which all are declining (see table 2).
- 2.6 All 25 reportable KBMs have a forecast projection from the responsible service for the forthcoming period (see table 3). Of the 20 measures that are forecast to be On Track at next reporting period, 40% (8) are forecast to improve, 50% (12) to remain static and 10% (2) are forecast to decline over the next quarter. Of those that are forecast to be Not on Track, performance is set to improve for 2, however the following is forecast to Remain Static at the next reporting period, full details can be found in [Appendix 1](#) and the [Performance Portal](#):
- Cost per SEND student journey (£)
- 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 reported within a [dashboard](#) informing the ongoing State of Warwickshire reporting and includes Levelling Up and the Cost of Living metrics. A summary of position will be included in the Year End Integrated Performance Report.

3. Progress on 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 There are 206 actions within the Integrated Delivery Plan, 71 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 (72%), 3% are Completed, 20% are At Risk or Compromised and 5% 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 Q1 Finance Monitoring Report presented to Cabinet on 14th September 2023.

Metric	Target	Service	Performance at Q1 2023/24
Performance against the latest approved revenue budget as measured by forecast under/overspend	On budget or no more than 2% underspent	Environment Services	5% overspend
		Strategic Commissioning Communities	1.8% overspend

The headline revenue overspend reported is £3.4m (4.0%).

Performance against the approved savings target as measured by forecast under/overachievement	100%	Environment Services	88%
		Strategic Commissioning Communities	66%
Performance against the approved capital programme as measured by forecast delays in delivery	No more than 5% delay	Environment Services	-18.8%
		Strategic Commissioning Communities	-6.6%
		S278 funded schemes	-43.4%

5. Management of Risk

- 5.1 Risks are monitored at a strategic/corporate level and also at service level within in risk registers. At a strategic level the following three 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
 - Sustainable Futures commitments for Warwickshire by 2050 not met.
- 5.2 Mitigating controls are in place in respect of these risks and include the Council's plans setting out the direction and activities to be undertaken, allocation of investment funds, working with regional and local partners to access available funding streams, a Medium Term Financial Strategy planning process that is incorporating the risk of inflation, enabling and promoting climate change action in the community for example through a dedicated website and specific initiatives including the green shoots community climate change fund. There is also a further strategic risk which is red, relating to uncertainty in the key influences on local government including Government policy changes, engagement with and lobbying officials is taking place.
- 5.3 At a service level there are 17 risks recorded against Communities and Environmental Services. At service level, there are two red risks and above target for three quarters or more and currently more than three points above target as follows:
- Loss of income for Adult and Community Learning (ACL).
 - Transport and highways scheme delays leading to loss of time limited funding.
- A further risk at this service level, which is red relates to 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 controls are in place in respect of these services level risks including, for example, identifying new ACL opportunities and contributing to national campaigning regarding the approach to ACL and its funding. Programmes and project management exists within transport and highways schemes and associated control arrangements are in place. For SEND, a change programme has been established and a specific working group to deliver transformation in the use of transport.
- 5.5 Over the course of the summer period, the risk appetite statements will be refreshed along with other aspects of the process to ensure they are fit for purpose. There is also an opportunity to refresh the risk records to ensure that the most significant risks are captured at a strategic and service level. This will also ensure that risks are reflective of the priorities, Integrated Delivery Plan and that appropriate mitigations are in place. Over time this will influence the volume and value of risks presented.

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

None.

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