

Children & Young People Overview & Scrutiny Committee

25th January 2024

Council Plan 2022-2027 Integrated Performance Report Quarter 2 2023/24

Period under review: April 2023 to September 2023

Recommendations

That the Committee considers and comments on Quarter 2 2023/24 organisational performance and 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 2 (April 2023 - September 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 2 Integrated Performance and Finance reports presented to Cabinet on 9th November. The paper sets out a combined picture of the Council's delivery, performance, HR, and risk:
 - performance is assessed against the Key Business Measures (KBMs) 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 Finance is summarised in Section 4 and more fully presented in [Appendix 3](#); and
 - 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 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.
- 1.3 The approach to strategic performance reporting continues to evolve. Members will be aware that there is a wealth of information and data,

and that is used in analysis most relevant to the 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, Government is developing the 'Office for Local Government' (Oflog) and Council Officers are seeking to collaborate with Oflog to ensure that a meaningful and useful data set is developed to support improvement in a proportionate manner. 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, considering any national metrics emerging from Oflog.

- 1.4 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, SEND provision, Home to School Transport and in the number of applications made through the Local Welfare Scheme;
 - demand increasing much more quickly than resources 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, Social Care and Support, Waste & Environment, Schools, Commercial and Contracts, On-Call firefighters and Planning officers; and
 - other services have specific challenges such as staff absence levels in Business & Customer Services, Children & Families and Social Care and Support.

Planned improvement activity to address these issues is described in section 4 of the 9th November Cabinet report.

- 1.5 The 2023/24 PMF was agreed at the June Cabinet meeting and, of the 105 KBMs detailed in that PMF, 91 are available for reporting in Quarter 2. There are 28 KBMs within the remit of this Committee, and 22 KBMs are available for reporting this Quarter. Of the 6 that are not available for reporting at this Quarter, 5 are new annual measures that will be reported on at Quarter 3, and 1 is a new annual measure due for reporting at Year End. Table 1 below indicates the current assessment of performance:

Quarter	On Track	Not on Track
1	55.5% (10)	44.6% (8)
2	59.1% (13)	40.9% (9)

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 no previous baseline:

Direction of Travel	On Track			Not on Track		
	Improving	Static	Declining	Improving	Static	Declining
Quarter 1	50%(5)	40%(4)	10%(1)	38%(3)	24%(2)	38%(3)
Quarter 2	45.5%(5)	36.4%(4)	18.2%(2)	22.2%(2)	44.4%(4)	33.3%(3)

Table 2

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

Forecast	On Track			Not on Track		
	Improving	Static	Declining	Improving	Static	Declining
Quarter 1	40%(4)	60%(6)	0%(0)	50%(4)	25%(2)	25%(2)
Quarter 2	15.4%(2)	69.2%(9)	15.4%(2)	55.6%(5)	44.4%(4)	0%(0)

Table 3

- 1.6 At Quarter 2, with a refreshed PMF, the overall position is a slight improvement on the position at Quarter 1, where 55.5% KBMs were reported as On Track and 44.6% Not on Track. This is an encouraging position against the continuing volatile, uncertain, and high-risk operating environment, although there are areas where performance is not improving and that require further scrutiny. [Appendix 1](#) details information for all measures within the PMF, including reasons why some measures are not being reported. Detailed measure-by-measure performance reporting is accessible through the [Performance Portal](#).
- 1.7 The position is also positive in terms of delivery of the 45 Children and Young People actions set out in the Integrated Delivery Plan, with 67% being On Track, 25% At Risk or Compromised, 2% not started and a further 9% now completed.

- 1.8 At the end of Quarter 2 the service is reporting a significant overspend of £11.353m (after the use of earmarked reserves is taken into account) equivalent to 12.3% of its revenue budget. This is primarily driven by and related to two main areas: children's placements (including WCC Homes) and staffing. Savings targets are forecast to be under-achieved by £1.663m whilst 27.7% of the current capital schemes are forecasting a delay. The forecast overspend is being addressed actively by the Director and SLT. Details of the forecast as well as the management actions being undertaken are included in the Q2 Finance monitoring Report and annexes.
- 1.9 One of the Council's seven strategic risks relates to Children and Young People OSC more directly and currently has a medium risk status (being unable to keep vulnerable children and adults safe). Two red rated, high level, strategic risks relating to: a mismatch between demand and resources; and insufficient skilled and experienced workforce may impact on the work associated with the Committee. At service level, one risk is rated red and has been higher than target for 3 quarters and is currently more than three points above target: being unable to deliver Local Area Special Educational Needs and Disabilities Inspection Written Statement of Action within required timescales.
- 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, global conflict, high inflation and 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, support for cost-of-living pressures and climate change.
- 1.12 Performance reporting will continue to track and highlight the impacts of this operating environment on delivery and performance. Ongoing analysis continues to inform the prioritisation of activity and resource allocation of the Integrated Delivery Plan 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, 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 22 KBMs which are being reported at Quarter 2, 59.1% (13) are On Track and 40.9% (9) are Not on Track.
- 2.4 Notable aspects of positive performance for specific measures include:
- This Quarter the two measures for the ‘% of in-year applications measures with a school place offered within the target of 10 school days’ and also ‘within the statutory deadline of 15 school days’ have both moved to On Track, despite being flagged as improvement activity last Quarter. This is following the Admissions improvement programme that has been put in place and is supporting overall improvements and efficiencies in the Education Service.
- 2.5 There are some emerging performance challenges that are apparent through the PMF this Quarter:
- Following steady increases over the past year, this Quarter the % of children and young people with an Education, Health and Care (EHC) plan attending a mainstream school has dropped, reaching 32%, and meaning Warwickshire is now some way (8%) below the national average of 40% for this metric. This drop is due to an increased level of need and demand for special school places; there were over 800 requests for specialist provision in 2022/23 compared to 400 the previous year. This position is reflective of systemic challenges in local education systems, and SEND provision now has a higher profile in Ofsted’s Education Inspection Framework. It is however forecast by the Service that performance in this measure will improve, as more EHC plans are due to be issued to children and young people who are already settled in a mainstream setting.
 - Another broader challenging area is the ‘Deliver our Child Friendly Warwickshire strategy - Happy, healthy, safe children’ Area of Focus. This was highlighted at Quarter 1 and is again being highlighted at Quarter 2 due to all 6 of the 6 measures now being reported as Not on Track. This follows a period of previous strong performance related to numbers of Children in Care and those with an open Child in Need category, which had been improving over the 2022/23 reporting year. The decline in performance can be attributed to an increase in demand from people requesting and accessing services within the period due to the cost-of-living crisis, alongside rising numbers of teenagers with social, emotional and mental health needs. This has resulted in a rise in caseloads for some key teams. It should be noted that targets have been reviewed this year and are more challenging.

- 2.6 For 20 of the reported measures there is enough trend data available to ascertain a Direction of Travel. 55% (11) of measures have a Direction of Travel that is On Track, the majority (81.8%) of which are either improving or static. Conversely, 45% (9) are Not on Track, the majority (77.7%) of which are either static or declining (see table 2).
- 2.7 All 18 KBMs have a forecast projection from the responsible service for the forthcoming period (see table 3). Of the measures that are forecast to be On Track at Quarter 3, the majority at 69.2% (9) are forecast to remain static, with a further 2 improving and 2 declining. Of those that are forecast to be Not on Track, all are forecast to improve or remain static, full details can be found within [Appendix 1](#) and the [Performance Portal](#).
- 2.8 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 position will be included in the Year End Integrated Performance Report.

3 Progress against the Integrated Delivery Plan

- 3.1 The Integrated Delivery Plan aligns priority activity from across all service areas to the agreed 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 197 actions within the Integrated Delivery Plan, 45 are attributable to the Children's Social Care OSC. At the end of this Quarter 67% of activities are On Track to achieve their objectives within the set timeframes. 9% of activities are At Risk, 13% are Compromised, 2% not started and a further 9% have now been Completed. Exceptions are covered in [Appendix 2](#).

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 Quarter 2 Finance Monitoring Report presented to Cabinet on 9th November 2023.
- 4.2 The headline revenue forecast reported at the end of the end of the second quarter is £13.233m (14.0%), however, once funding has been transferred from earmarked reserves, the adjusted remaining service variance is £11.353m (12%).

Metric	Target	Performance at Q2 2023/24
Performance against the latest approved revenue budget as measured by forecast under/overspend	On budget or no more than 2% underspent	14.0% overspent
Performance against the approved savings target as measured by forecast under/overachievement	100%	45%
Performance against the approved capital programme as measured by forecast delays in delivery	No more than 5% delay	28%

- 4.3 In response to the forecast overspend that emerged at Q1 Corporate Board developed an action plan aiming to contain and minimise the 2023/24 overspend, ensure the nature and impact of pressures is understood and key staff members as well as elected members are engaged in identifying solutions and developing long term transformation plans.
- 4.4 As part of the Financial Recovery Strategy all Directors with a forecast overspend have been asked to develop a Financial Recovery Plan with primary focus on the areas of Social Care and Support, Children and Families, SEND (linked to the Delivering Best Value plan), Home to School Transport and Enabling Services (utilities).
- 4.5 As part of the strategy a review of short-term budget balancing options is taking place as well as a review of all transformation activity.
- 4.6 The impact of the Financial Recovery Strategy on both one-off and permanent cost has been reflected in the MTFS when it was presented to Cabinet in December 2023.

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 seven strategic risks are monitored and currently one strategic risk directly relates to the remit of this Committee and is currently rated as a medium level risk.
- being unable to keep vulnerable children and adults safe
- 5.2 Mitigating controls are in place in respect of this risk and include the Council Plan, which has driven priority initiatives. A Children & Families Service Plan and inter-agency guidance, in line with statutory duties, are in place to ensure sound arrangements to protect children including a multi-agency training plan.

A Children & Families continuous improvement plan is being developed to enhance progress.

- 5.3 Additional strategic risks, which are rated red, may also impact on Children and Young People and these are: a mismatch between demand and resources and insufficient skilled & experienced workforce. Mitigating controls are in place and further actions are in development to help manage these risks. However, the wider national environment, which we are unable to effectively influence, has the potential to impact on these risks.
- 5.4 At a service level there are 14 risks recorded against services relating to Children and Families and Education Services. This report highlights key risks at service level and specifically where risks are red (high risk) and the risk level has been higher than the risk target for 3 quarters or more and currently three points or more above target. To highlight the key risks, a table of both red risks and red risks above target is provided at [Appendix 4](#).
- 5.5 There is one risk that is both red and above target which is highlighted below:
- unable to deliver Local Area Special Educational Needs and Disabilities Inspection Written Statement of Action within required timescales.
- 5.6 Mitigating controls are in place and additional actions planned in respect of this risk including that the Written Statement of Action was assessed as fit for purpose by the Office for Standards in Education, Children's Services, and Skills and the Care Quality Commission.
- 5.7 Over the summer, strategic risks have been reviewed and updated to ensure that the most significant risks are captured. Over the course of the autumn and winter periods, aspects of the Strategic Risk Management Framework will be refreshed along with any implications for the practical application of the Framework to ensure all aspects are fit for purpose.

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 9th November 2023

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