

# Children & Young People Overview & Scrutiny Committee

18 June 2024

## Council Plan 2022-2027 Integrated Performance Report Year End 2023/24

### Recommendations

That the Children and Young People Overview and Scrutiny Committee considers and comments on Year End 2023/24 organisational performance, progress against the Integrated Delivery Plan, management of finances and risk.

### 1. Executive Summary

- 1.1 This report provides a retrospective summary of the Council's performance at the Year End position (April 2023 – March 2024) 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 presented to Cabinet on 13<sup>th</sup> June. 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 and reflect the Council's key priorities and pressures. Members will be aware of the wealth of information and data available at both strategic and service levels. In addition, Oflog (Office for Local Government) is developing a suite of

metrics for the sector. As such, the Council’s performance framework will continue to evolve, and be streamlined to ensure that Members have the most useful performance data, including reference to Oflog metrics.

- 1.4 There are key themes that emerged last year that continue to be highlighted by this report, which impact WCC’s current operating environment, including:
- increasing demand and costs being reported in Children & Families, Adult Social Care, Special Educational Needs and Disabilities (SEND), Home to School Transport and in the number of applications made through the Local Welfare Scheme; the challenges in these areas reflect systemic national issues;
  - in these areas demand is increasing more quickly than resources, creating capacity, workload and delivery challenges; addressing this is a high priority for the organisation;
  - continuing recruitment and retention difficulties in specific areas including Children and Adults Social Care, Highways, Planners, Legal and Finance, which are important drivers of ongoing strategic workforce planning activity; and
  - a small number of services continue to experience specific challenges around staff absence levels particularly Business Support, Customer Contact, Children and Families and Social Care and Support, which are reflected in increasing overall sickness rates.
- 1.5 The 2023/24 PMF contains 105 KBMs, 105 of which are available for reporting at Year End.

There are 30 KBMs within the remit of this Committee. All measures are available for reporting this Quarter, including one measure that is being reported for the first time this year 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)
3	51.7% (15)	48.3% (14)
Year End	56.7% (17)	43.3% (13)

Table 1

- 1.6 At Year End, with a refreshed PMF and based on percentages the overall position is a slight improvement on the position at Quarter 3, where 51.7% of KBMs were reported as On Track compared to 56.7% at Year End. Many of the challenges outlined in 1.4 affect the metrics in this area, and there is a continuing volatile, uncertain, and high-risk operating environment adding further challenge. [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 positive in terms of delivery of the 35 actions within the remit of the Children and Young People Overview and Scrutiny Committee as set out in the Integrated Delivery Plan. 66% are On Track, 25% At Risk or Compromised, 3% not started and a further 6% now completed. It is these actions which are reported on in Appendix 2 on an exception basis.
- 1.8 At the end of the 2023/24 financial year the services that come within the remit of Children and Young People Overview and Scrutiny Committee are reporting an unprecedented level of overspend of £11.726m (after the use of earmarked reserves is taken into account) equivalent to 12.2% of their revenue budget. This is primarily driven by and related to two main areas: children's placements (including WCC Homes) and staffing. Savings targets are under-achieved by £1.695m whilst 32% of the current capital schemes are delayed. The forecast overspend is being addressed with unprecedented seriousness and effort by the Director and SLT. Details of the outturn position are included in the Finance Outturn report and annexes.
- 1.9 During 2023-24, a risk working group was convened to review and refresh the strategic risks that face the Council in the pursuit of its priorities. This work has resulted in a smaller number of high-level cross cutting risks being established. In Quarter 4, those risks have been reviewed, refined again, the mitigations updated and two new risks added. Strategic risks which are aligned, but not exclusively, to the work of this committee include:
- Mismatch between demand and resources (high); and
  - Being unable to keep children & vulnerable adults safe (medium).
- 1.10 At a more detailed service level, 83 risks are currently being monitored, 15 of which relate to the work of this Committee. Service risks are being reviewed and refreshed across the Council to ensure that they are reflective of the current environment, priorities and plans and to ensure that appropriate mitigations are in place. Further detail relating to strategic and service risks is included in Section 5 below.
- 1.11 There is a wider context that continues to impact all aspects of the Council's work, including industrial action across many sectors, such as the NHS, the legacy impact of the pandemic, global conflict, high inflation and interest rates and the resulting fiscal challenges are impacting the communities of Warwickshire. Such a 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 uncertainty about medium-term national policy direction in a number of key areas of our work. Performance reporting will continue to track and highlight our delivery and performance and inform prioritisation of activity and resources.
- 1.12 In April cabinet agreed the new Council Delivery Plan and PMF which have been simplified to focus on the key priorities ensuring we grip and improve the drivers of cost pressures to maintain service and financial resilience.

Reporting against these will commence from Quarter 1 2024/25. Service Business Plans and performance measures will evolve to reflect the more strategic approach at Council level.

## **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 30 KBMs which are being reported at Year End, 56.7% (1) are On Track and 43.3% (13) are Not on Track.
- 2.4 Notable aspects of positive performance for specific measures include:
- The % of children and young people with an Education Health and Care (EHC) plan attending a mainstream school has reached 36%; the highest figure reported for 5 years. This is in line with the Council's aim to increase utilisation of mainstream settings. As more EHC plans are issued, the proportion in mainstream settings is likely to increase further.
- 2.5 There are a number of performance challenges this Quarter, including:
- The % of maintained schools with a deficit budget has risen to 20.51%, up from 18.85% at Quarter 3. This is equivalent to 24 out of 117 schools forecasting deficit balances for 2023/24. The figure has been on an increasing trajectory since September 2022. Projections for 2024/25 do forecast some improvements, but there are further potential cost pressures that schools will face that will need to be factored into financial plans (including the increase to employers contributions to teacher pensions).
- 2.6 For 28 of the reported measures there is enough trend data available to ascertain a Direction of Travel. For the measures that are On Track and with enough trend data to show a Direction of Travel the majority (86.%) of which are either improving or static. For the measures that are Not on Track with a Direction of Travel the majority (84.6%) are either static or declining.
- 2.7 All 30 reported KBMs have a forecast projection from the responsible service for the forthcoming period. Of the measures that are forecast to be On Track at the next reporting period, 8 are forecast to improve and 9 to remain static. Of those that are forecast to be Not on Track, 1 is forecast to improve, 6 to remain static and 6 to decline further. Of those that are forecast to be Not on Track, the following are forecast to decline further at the next reporting period, and full details can be found within [Appendix 1](#) and the [Performance Portal](#):

- % of in year applications that have a school place offered within the target deadline of 10 school days (termly data last reported at Quarter 3);
- % of in year applications that have a school place offered within the statutory deadline of 15 school days (termly data last reported at Quarter 3);
- % of Year 6 children (aged 10-11 years) who are overweight including obese (annual data last reported at Quarter 3);
- No. of children with an open Child in Need category including Child Protection Plans and Children in Care;
- Dedicated Schools Grant (DSG) High Needs Block (HNB) in year forecast % overspend compared to the DSG Recovery Plan; and
- % of Maintained Schools with a Deficit Budget.

Previous experience illustrates that projections provided by services between quarters are broadly accurate so it is anticipated that this level of accurate projection continues.

- 2.8 A set of high-level, cross-cutting, long-term Warwickshire Outcome Measures, which the Council can influence but is not solely responsible for, are reported in a State of Warwickshire reporting [dashboard](#) which includes Levelling Up and Cost-of-Living metrics. Current performance at Year End is being reported as a summary within Appendix 1b.

### **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 175 actions within the Integrated Delivery Plan, 35 are attributable to the Children's Social Care OSC. At the end of this Quarter 66% of activities are On Track to achieve their objectives within the set timeframes. Eight percent of activities are At Risk, 17% are Compromised, 3% not started and a further 6% 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 Finance Outturn Report presented to Cabinet on 13th June 2024.

- 4.2 The headline revenue forecast reported the end of the 2023/24 financial year is £11.325m (12.19%), however, once funding has been transferred to earmarked reserves, the adjusted remaining service variance is £11.726m (12.62%).
- 4.3 The Children & Families Service overspend is predominantly due to the increased cost of placements, for all children in care but particularly for adolescents. The weekly cost of residential care has increased dramatically. The Service is doing all they can to keep children in placements that are lower cost, reviewing highest cost placements to consider other creative options for those children and continuing to reduce the number of children entering care. There are difficulties in locating extended family and foster carers to support adolescents and our approach to try and address this is under review. There are also growing costs associated with supported accommodation and it remains to be seen if the new burdens grant will cover the increase costs being demanded by providers.
- 4.4 In addition, the Service have significant overspends on staffing caused by needing to use record numbers of agency social workers but since the last quarter this has reduced and continues to fall. The implementation of new workforce initiatives including a market forces payment is helping to retain and attract social workers to hard to recruit to roles.
- 4.5 With regards to placements, managing the overspend is very difficult. The Service will ensure our own children's homes are opened as quickly as possible (property services, recruitment of staff and registration).
- 4.6 The service has a finance action plan which continues to be worked through and adhered to manage spending and overspend.

Metric	Target	Service	Performance at Q4 2023/24
Performance against the latest approved revenue budget as measured by forecast under/overspend	On budget or no more than 2% underspent	Children & Families	14.6% overspent
		Education – Non-DSG	2.4% underspend
Performance against the approved savings target as measured by forecast under/overachievement	100%	Children & Families	39.8%
		Education – Non-DSG	100%
Performance against the approved capital programme as measured by forecast delays in delivery	No more than 5% delay	Children & Families	11.2%
		Education – Non-DSG	31.6%

Table 2

## 5 Management of Risk

- 5.1 During 2023-24, strategic risks and elements of the Strategic Risk Management Framework (the Framework) were reviewed and refreshed. A smaller number of high-level cross cutting strategic risks was developed and then agreed by Corporate Board. During Quarter 4, the strategic risks have been reviewed and adjustment made to refine and enhance the mitigations and two new risks added.
- 5.2 Risks are monitored in risk registers at a strategic level and at service level. At a strategic level the following risks are more related to the work of this committee, whilst also being relevant for other committees:
- Mismatch between demand and resources (high); and
  - Being unable to keep children & vulnerable adults safe (medium).
- 5.3 Mitigating controls are in place in respect of the risks and include the Council Plan, which has driven priority initiatives. A Council Delivery Plan has been developed to operate from April 2024. A Children & Families Service Plan, inter-agency guidance in line with statutory duties and a multi-agency training plan to help ensure sound arrangements to protect children are in place. Warwickshire has been successful in its application to the DfE for Wave 2 of the Families First for Children Pathfinder Programme aimed at rebalancing children's social care away from costly crisis intervention to more meaningful and effective early support.
- 5.4 At a service level, there are 15 risks recorded against services relating to Children and Families and Education Services. This report is aimed at highlighting any 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. There are currently no such risks. To highlight the key risks, a table of both red risks and amber risks above target is provided at [Appendix 4](#).
- 5.5 There is one risk that is red: *Increased demand on statutory services within SEND linked to the High Needs Block* and the Council is participating in the DfE's Delivering Better Value programme, which is aimed at ensuring services are sustainable. However, demand is expected to increase over the next five years and will not be sustainably funded over that period. Warwickshire is not alone in this respect, this being a national issue and we continue to keep the situation under close review

## 6 Financial Implications

6.1 None arising directly from this report.

## 7 Environmental Implications

7.1 None arising directly from 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 13<sup>th</sup> June 2024

Role	Name	Contact Information
Report Author	Vanessa Belton, Business Intelligence Service Manager (Performance and Quality)	<a href="mailto:vanessabelton@warwickshire.gov.uk">vanessabelton@warwickshire.gov.uk</a>
Director	Zoe Mayhew, Director of Health & Commissioning Johnny Kyriacou, Director of Education Dr Shade Agboola, Director of Public Health John Coleman, Director of Children & Families	<a href="mailto:zoemayhew@warwickshire.gov.uk">zoemayhew@warwickshire.gov.uk</a> <a href="mailto:johnnykyriacou@warwickshire.gov.uk">johnnykyriacou@warwickshire.gov.uk</a> <a href="mailto:shadeagboola@warwickshire.gov.uk">shadeagboola@warwickshire.gov.uk</a> <a href="mailto:JohnColeman@warwickshire.gov.uk">JohnColeman@warwickshire.gov.uk</a>
Executive Director	Nigel Minns, Executive Director for Children and Young People Becky Hale, Executive Director for Social Care and Health	<a href="mailto:nigelminns@warwickshire.gov.uk">nigelminns@warwickshire.gov.uk</a> <a href="mailto:beckyhale@warwickshire.gov.uk">beckyhale@warwickshire.gov.uk</a>
Portfolio Holder	Cllr Sue Markham, Children's, Families Cllr Margaret Bell, Adult Social Care & Health Cllr Kam Kaur, Education Services	<a href="mailto:suemarkham@warwickshire.gov.uk">suemarkham@warwickshire.gov.uk</a> <a href="mailto:cllrbell@warwickshire.gov.uk">cllrbell@warwickshire.gov.uk</a> <a href="mailto:cllrkaur@warwickshire.gov.uk">cllrkaur@warwickshire.gov.uk</a>