

Communities Overview & Scrutiny Committee

18th September 2019

One Organisational Plan Quarterly Progress Report: Period under review: April 2019 to June 2019

Recommendation

That the Overview and Scrutiny Committee:

- (i) Considers and comments on the progress of the delivery of the One Organisational Plan 2020 for the period as contained in the report.

1. Introduction

- 1.1. The One Organisational Plan (OOP) Quarterly Performance Progress Report for the period April 1st 2019 to June 30th 2019 was considered and approved by Cabinet on 12th September 2019. The report provides an overview of progress of the key elements of the OOP, specifically in relation to performance against Key Business Measures (KBMs), strategic risks and workforce management. A separate Financial Monitoring report for the period covering both the revenue and capital budgets, reserves and delivery of the savings plan was presented and considered at the same meeting.
- 1.2. This report draws on information extracted from both of the Cabinet reports to provide this Committee with information relevant to its remit.

2. One Organisational Plan 2020: Strategic Context and Performance Commentary

2.1 The OOP 2020 Plan aims to achieve two high level Outcomes:

- **Warwickshire's communities and individuals are supported to be safe, healthy and independent;** and,
- **Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure.**

Progress to achieve these outcomes is assessed against 58 KBMs.

Outcome	No. of KBMs
Warwickshire's communities and individuals are supported to be safe, healthy and independent	24
Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure	17

In addition, to demonstrate OOP delivery by ensuring that **WCC makes the best use of its resources**, a total of 17 KBMs are monitored.

2.2 Of the 58 KBMs, 14 are in the remit of this Overview and Scrutiny Committee. At the Quarter 1 position, 71% (10) of KBMs are currently on track and achieving target while the 14% (2) of KBMs are not on track and behind target and the remaining 2 KBMs are reported in arrears so it is too early to make a judgement on these. Chart 1 below summarises KBM performance by outcome.

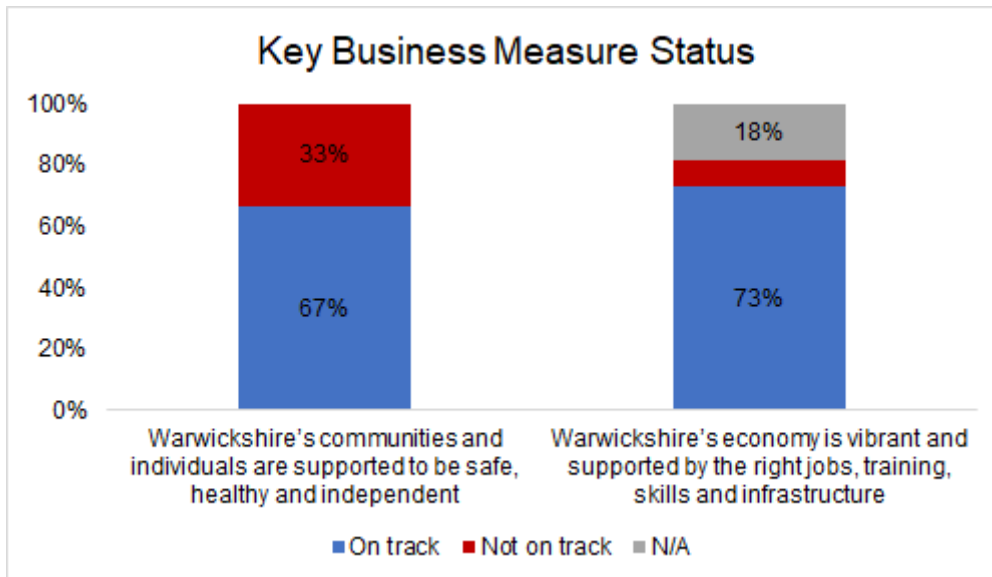


Chart 1

2.3 Of the 71% (10) KBMs achieving target there is one measure where performance is of particular note, which is:

- % of Core Highways Maintenance Contract performance measures achieving target

2.4 Chart 2 below illustrates the considered projection of performance over the forthcoming reporting period.

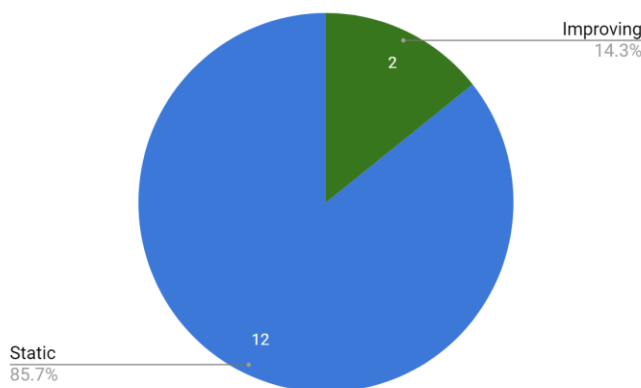


Chart 2

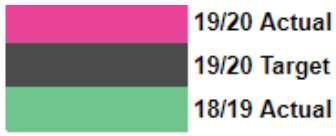



Of the 14 performance measures, 12 are projecting that performance will remain static over the next reporting period, whereas 2 are projected to be improving. The improving measures are:

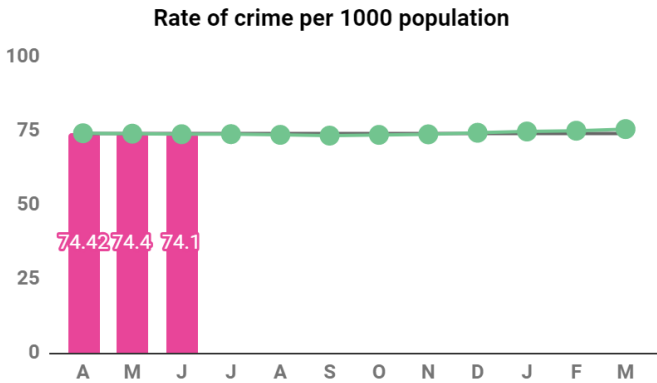



- Warwickshire % GVA relative to UK average
- No. of businesses supported in growing

Of the remaining reported measures all are on track achieving target and it is projected that performance will remain at the same level or improve further.

2.5 The following section presents KBMs where significant good performance or areas of concern need to be highlighted for the 14 KBMs across the 2 high level outcomes as appropriate for this Committee. Performance for all other measures is included in Appendix A.

One Organisational Plan Key Business Measures Scorecard

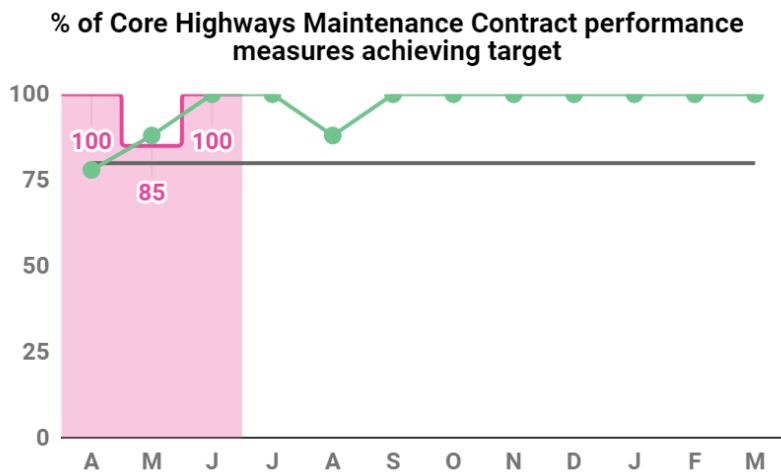
	Projection	Is the expected performance projected to improve, decline or remain static over the next reporting period
	DoT	Direction of Travel (DoT) over recent period
	Trend	Trend over longer time period
		Performance Improving
		Performance Declining
		Performance is Steady

Warwickshire’s communities and individuals are supported to be safe, healthy and independent					
Areas of concern and remedial action					
<p style="text-align: center;">Rate of crime per 1000 population</p> 					
16/17	17/18	18/19	Trend	DoT	Projection
67.11	73.51	73.93			

Total recorded crime per 1,000 population is above target for Quarter 1 at 74.1 compared to the target of 74 incidents. This is impacted by a wide range of factors including an uplift in reports of violence with injury, and domestic abuse, which illustrates increasing confidence of victims in reporting domestic abuse incidents. It is anticipated the uplift in recruitment and the dedicated Rural Crime Team will assist in reducing crime over time. Quarter 1 data will be investigated and actioned further at the local Community Safety Partnership board meetings which are scheduled in Quarter 2. At the Safer Warwickshire Partnership Board in June, the Chief Superintendent presented the report informing of the wide range activities and outcomes the police had achieved across a range of crime types. Outcomes included arrests, charges and remands for robbery, motor vehicle theft, possession of an imitation firearm, class A drugs, and murder. The police work with partners, gather intelligence execute warrants, seize assets, arrest and charges offenders. The Chief Superintendent updated the group in relation to the upcoming changes with the Alliance to ensure front line services are not disrupted. The Police are in the middle of a significant recruitment drive which will result in 100 new officers in Warwickshire by the end of March 2020. The uplift in officers has enabled the Chief Constable to develop a dedicated rural crime team which is addressing a range of rural related incidents. WCC staff continue to effectively engage with the problem solving approach that has been embedded across Policing teams. The activities of the Community Safety Team include the development and delivery of problem solving plans including addressing knife crime in schools, leading on local serious and organised crime action plans, supporting vulnerable residents ensure appropriate partners address issues including fear of crime and drug dealing.

Warwickshire’s economy is vibrant and supported by the right jobs, training, skills and infrastructure

Areas of good progress

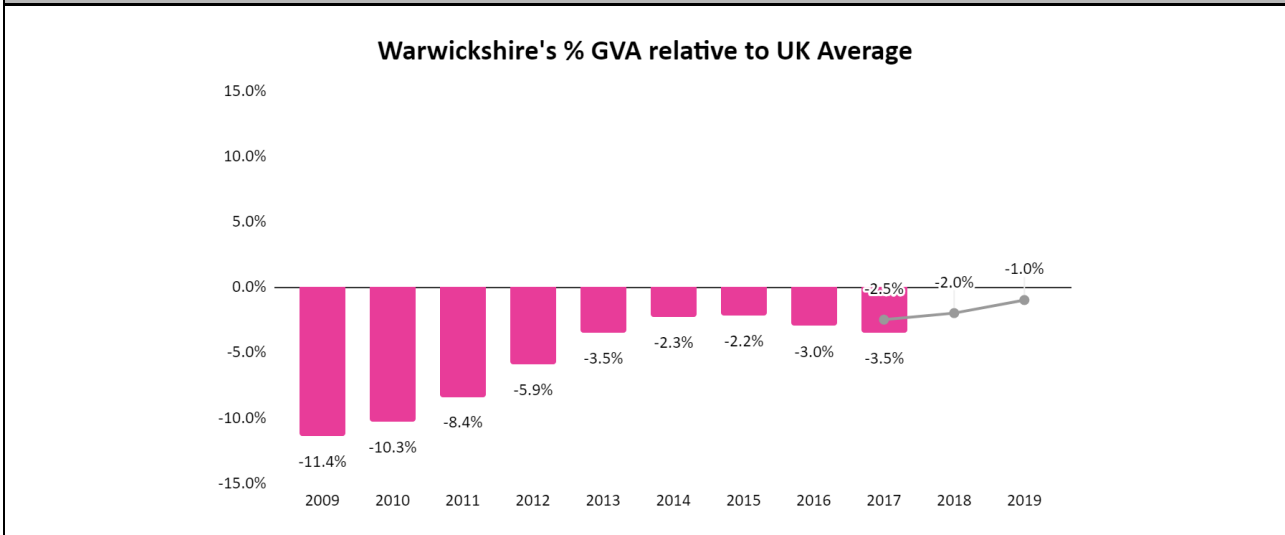


16/17	17/18	18/19	Trend	DoT	Projection
N/A	90	100	↑	↑	↔

The contract continues to perform above thresholds in all areas. Balfour Beatty have recently agreed to a 1 year extension to the contract based upon their performance in

2018/19. This brings the total extensions to 2 years. The contract has a minimum term of 7 years, and potential for a further 3 years extension, so the contract term is now 9 years. The Service would look to start re-procurement preparation 2 years before the end of the contract. One aspect of this measure, which focuses on whenever Balfour fix defects within contractual timescales, reduced to 90% in May, but increased to 96% in June. This caused an overall dip in performance for May with a score of 85%. This is back to 100% for June.

Areas of concern and remedial action



2017	2018	2019	Trend	DoT	Projection
-3.5	Not Available	Not Available	↓	↓	↑

Data on economic output (GVA) is calculated annually by the Office for National Statistics (ONS) and is based on a wide range of supporting economic data. The latest available data was released in December 2018, covering the previous year, 2017. The next release of the data will be in December 2019/January 2020, which will cover 2018. As new data becomes available, and the methodologies that the Office for National Statistics use to calculate GVA improves, the data is often subject to revision. Since the previous release, Warwickshire's data has been revised and updated, and it is now calculated that Warwickshire's position is below the national average, whereas previous it had thought to have been above. The county, however, has seen strong growth since the end of the recession in 2009, growing at a faster rate than the national average, 29.7% growth between 2009-2017, compared to just 19.1% nationally, and faster than the surrounding areas counties and urban areas. Indeed, Warwickshire remains one of the top performing areas in terms of growth over this longer period of time. The latest data does show that gains in productivity have slowed in the last couple of years. Further detailed research is being undertaken to understand the causes of this, and what key interventions/activities might be needed to help address this and enable our strong growth performance to continue into the future.

Financial Commentary – relevant finance information taken from Cabinet report

3.1 Revenue Budget

3.1.1 The Council has set the following performance threshold in relation to revenue spend: a tolerance has been set of zero overspend and no more than a 2% underspend. The following table shows the forecast position for the Services concerned.

	2019/20 Budget £'000	2019/20 Outturn '000	Revenue Variance £'000 %	Retained Reserves £'000	Financial Standing £'000
Communities	23,266	24,284	1,018 4.38%	(2,705)	(1,687)

This is a very early view of the Communities budget prior to completion of restructuring and realignment of budgets to match. Work is ongoing to mitigate the budgetary structural issues identified and ensure that income targets are monitored with a view to achieving original estimated figures.

Environment Services	25,097	25,246	149 0.59%	(1,057)	(908)
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Overspend is expected to be covered by increased income from Network Management. Quarter 1 forecast is based on early review of current work but does not sufficiently take account of historical over recovery in this area. Work will take place in Quarter 2 to review income forecasts against historical income in this area to ensure the forecast better reflects historical recovery. County Fleet Maintenance is currently being reviewed and forecasting for Q1 has been light touch. We are anticipating some additional spend in CFM to cover the costs of the review and to establish the new structure and processes. These may be covered in part by vacant T3 salary budget, Q2 forecasts will better reflect this.

3.2. Delivery of the 2017-20 Savings Plan

3.2.1. The savings targets and forecast outturn for the Business Units concerned are shown in the table below.

	2019/20 Target £'000	2019/20 Actual to Date £'000	2019/20 Outturn £'000
Communities	1,141	244	455

Shortfall £0.686 million. This comprises of £0.606 million relating to the introduction of a new charging schedule for parking permits. This has been delayed while a public consultation takes place. This has impacted on year 1 savings and depending on the outcome of the consultation may impact on year 2. £0.080 million shortfall relates to the projected increased income from

new business centres. This has not been possible because the business case to develop new business centres was not supported as a Capital Investment Fund allocation in 2017. It is not yet known whether this savings target can be managed in another way.

Environment Services	605	374	530
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Shortfall £0.075 million. £0.025 million of this relates to the move to Hawkes Point from Montague Road. This is in question because it relied on increased income being made from the installation of an MOT test facility at the new site. The move to Hawkes point has been delayed and Environment Services are now also funding the installation. In addition to this there were two further savings for £0.025 million each one for the generation of new income from the implementation and operation of a highway permit scheme for Solihull MBC and another savings target which relates to gritter optimisation routes. Although these schemes may not come to fruition the savings will be met via network management income or by reducing spend elsewhere in the winter maintenance budget.

3.3 Capital Programme

3.3.1. The table below shows the approved capital budget for the business units and any slippage into future years.

	Approved budget for all current and future years (£'000)	Slippage from 2019/20 into Future Years £'000	Slippage from 2019/20 into Future Years (%)	Current quarter - new approved funding / schemes (£'000)	Newly resourced spend included in slippage figures (£'000)	All Current and Future Years Forecast (£'000)
Communities	36,774	(7,143)	-29%	0	(606)	36,168

Crick Road £2.0m land negotiation and the planning application activities have not commenced and therefore there has been no monies spent as of yet.

Bermuda Connectivity £2.8m slippage resulting from a delay to the project programme with the construction contract commencing later than forecasted in 2019-20, and thus, reducing construction costs incurred during this period.

Temple Hill/Lutterworth Road £1.0m slippage due to previous projects in Design Services the commencement of this scheme will be delayed.

Environment Services	103,583	(10,313)	-14%	1,899	1,261	106,743
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£10.4m slippage on a number of major road schemes
£3.1m added to programme via additional funding received for maintenance of roads, bridges, traffic signals and road safety

4 Supporting Papers

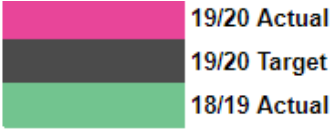



- 4.1 A copy of the full report and supporting documents that went to Cabinet on the 12th September 2019 is available via the following links ([performance](#) and [finance](#)) and in each of the Group Rooms.

5 Background Papers

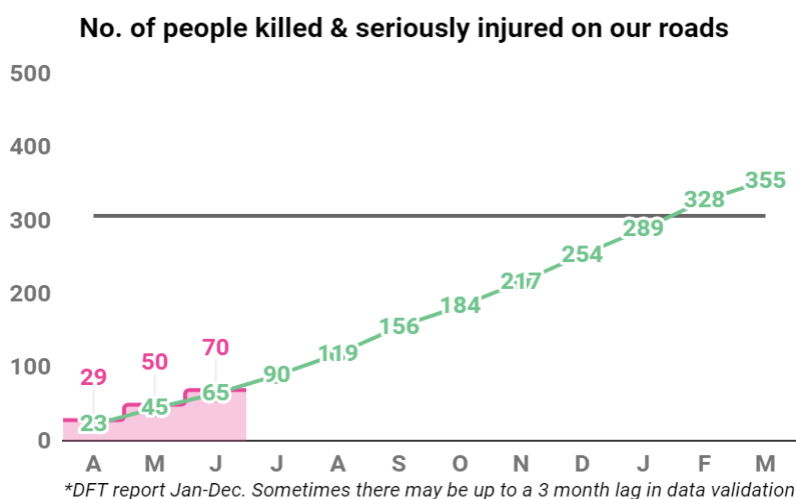
None




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Appendix A One Organisational Plan Key Business Measures Scorecard

	Projection	Is the expected performance projected to improve, decline or remain static over the next reporting period
	DoT	Direction of Travel (DoT) over recent period
	Trend	Trend over longer time period
		Performance Improving
		Performance Declining
		Performance is Steady

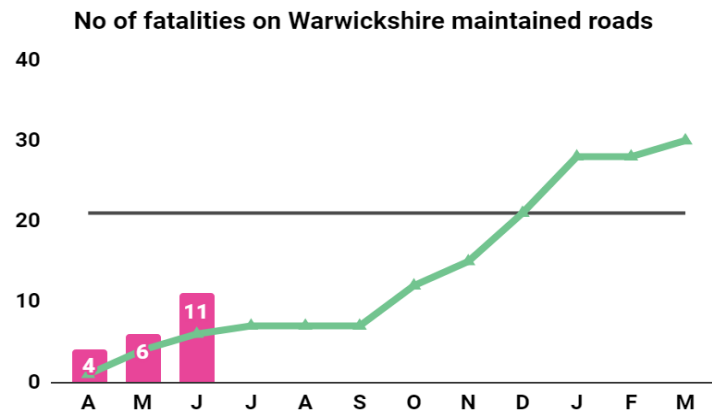
Warwickshire's communities and individuals are supported to be safe, healthy and independent



16/17	17/18	18/19	Trend	DoT	Projection
374	354	355			

Figures at this time indicate a similar pattern to 2018/2019. Data lead interventions in Road Safety, education, engineering and enforcement will continue to be taken in response to analysis of long term data trends. The figures for Apr/May 2019 are comparable to 2018, there have been a slight decrease in some groups eg Cyclists, P2W (powered two wheelers i.e. scooters, mopeds etc) and car users but increases in Pedestrians, HGV drivers and pillion passengers (sits behind the rider on a motorbike). These are so small at the moment that no conclusions can be reached at this time. The numbers published for April and May are also still liable to change. The national figures for 2018 are not published until Sept/Oct 2019, the next quarterly figures are not due until

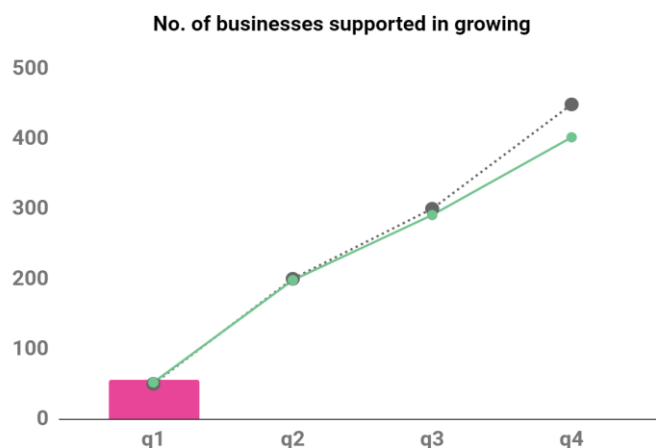
August (this can change). The annual cluster site analysis has been completed and the results are with the engineers to see if there are suitable schemes to target these sites. WCC have a good program rolling through schools targeting children from Year Reception through to secondary schools.



16/17	17/18	18/19	Trend	DoT	Projection
16	29	30	↑	↑	↔

At this time figures are following the trend set in 2018/2019. The national figures for 2018 are not published until Sept/Oct 2019, the next quarterly figures are not due until August (this can change) The annual cluster site analysis has been completed and the results are with the engineers to see if there are suitable schemes to target these sites. WCC have a good program rolling through schools targeting children from Year Reception through to secondary schools.

Warwickshire’s economy is vibrant and supported by the right jobs, training, skills and infrastructure



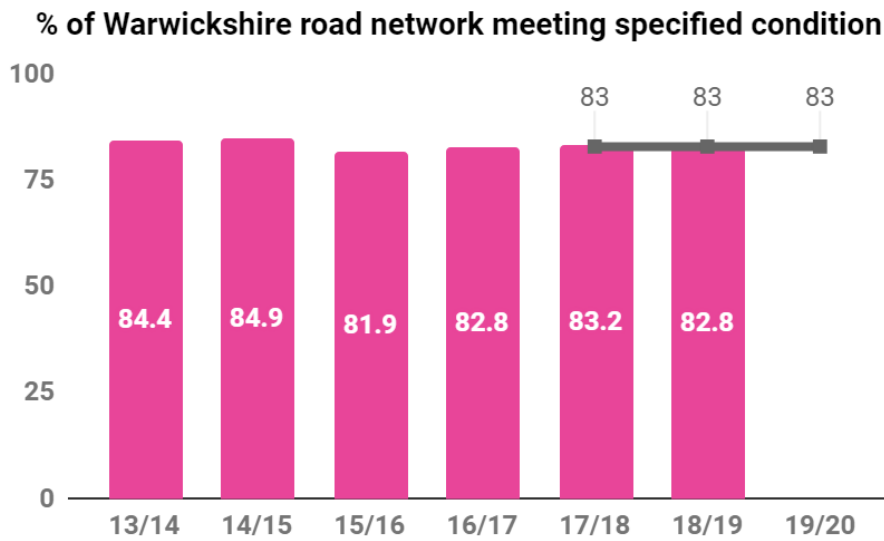
16/17	17/18	18/19	Trend	DoT	Projection
N/A	327	402	↑	↑	↑

There is data still to be validated but for Quarter 1 56 businesses have been supported compared to 52 over the same period last year. There is some data which has not been received from partners/suppliers due to their reporting timetables to other Government funders. Currently supporting a number of business support programmes. These include support for start-ups, business advice, support for tech-based businesses. specialist support for the creative sector, skills advice and training, business loans and business grants as well as the CWLEP Growth Hub. Performance is expected to be on track.



16/17	17/18	18/19	Trend	DoT	Projection
76	79.6	81.9	↑	↑	↔

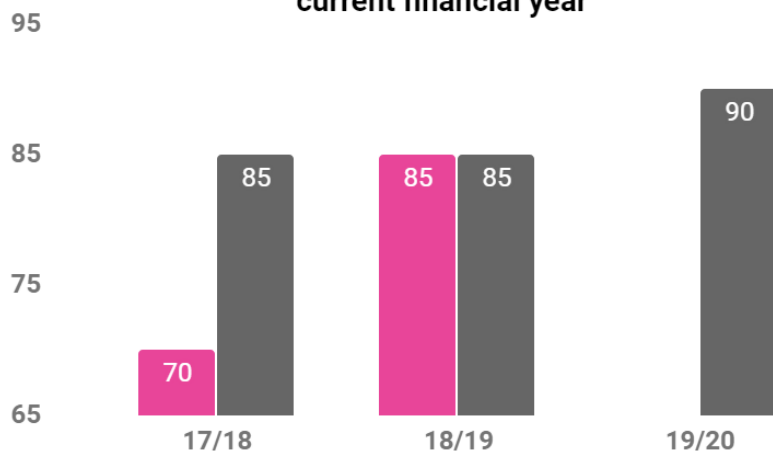
Warwickshire continues to have strong economic and employment growth, and an increasing proportion of WCC working age residents are in employment. There is no new data for Quarter 1, but the end of year data shows that the employment rate in the county was 81.9%, which is the highest it has ever been. The unemployment rate for the county is also unsurprisingly at record low levels as well, and indeed, currently (as of March 2019), Warwickshire has the lowest unemployment rate in the country when compared to all other upper tier authorities. Further analysis to understand the breakdown and composition of the change and growth in employment rate in the county is underway and a more detailed breakdown will be provided in Quarter 2. While apprenticeship numbers continue to fall due to the changes in the national system, which are still being worked through, overall job demand levels are high (job vacancies per 1000 population in Warwickshire are double those of the national average) and businesses are facing difficulties in recruiting. Building links between WCC business community and WCC education providers therefore remains critical, and a key focus of WCC work. WCC are also working with employers to encourage them to consider a wider range of potential employees, particularly young people with special educational needs and disabilities, residents with health and mental health issues, and the older workforce (which have the highest rates of unemployment at the moment).



16/17	17/18	18/19	Trend	DoT	Projection
82.8	83.2	82.8	↓	↓	↔

This is an annual 'lagging' measure, so no data to report at Quarter 1.

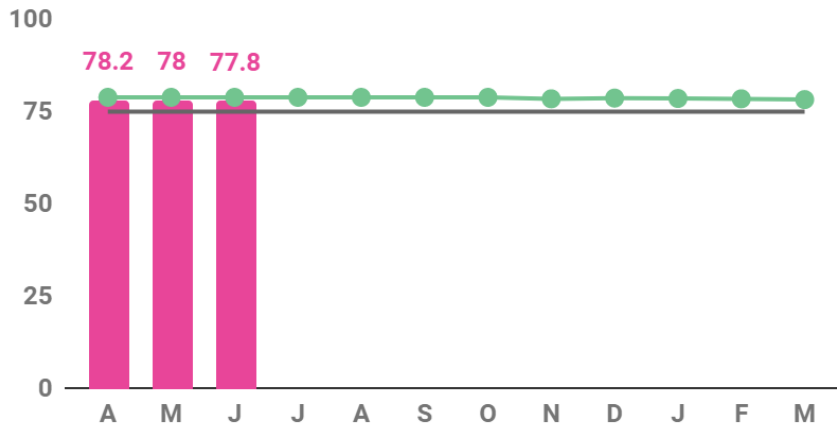
% completion of Capital Maintenance programmes/Infrastructure improvements programmed for the current financial year



16/17	17/18	18/19	Trend	DoT	Projection
N/A	75	85	↑	↑	↔

16 current schemes are expected to be completed during the current financial year, but none of them are due for completion in Quarter 1.

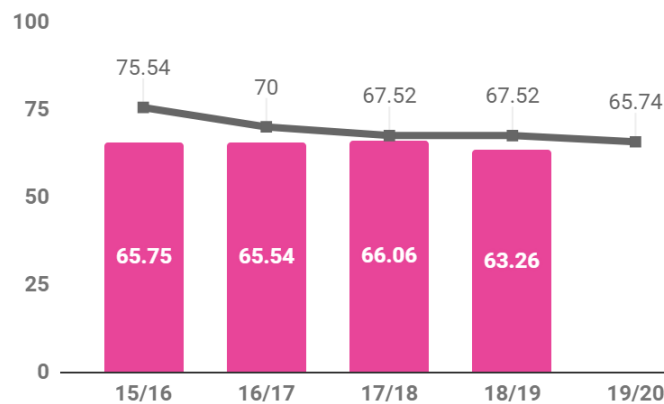
% of communities with a population of 1,000 or more receiving at least one daily bus service



16/17	17/18	18/19	Trend	DoT	Projection
N/A	79.5	78.3	↓	↓	↔

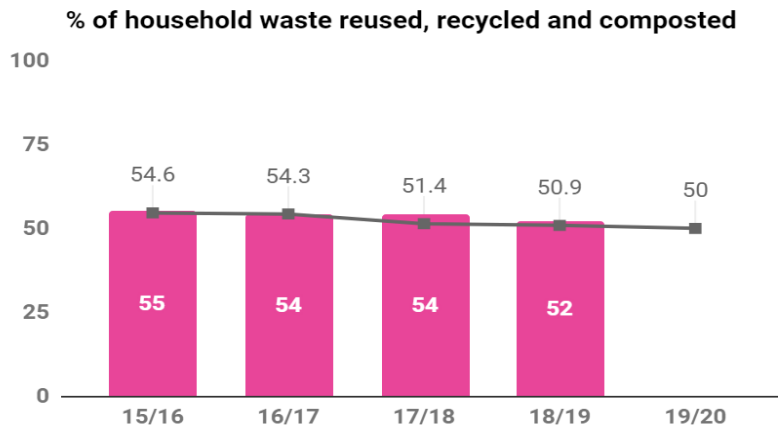
The commercial public transport network remains unchanged. WCC supports services across the county to provide an agreed level of service, this is being maintained at expected levels.

Waste service cost per household



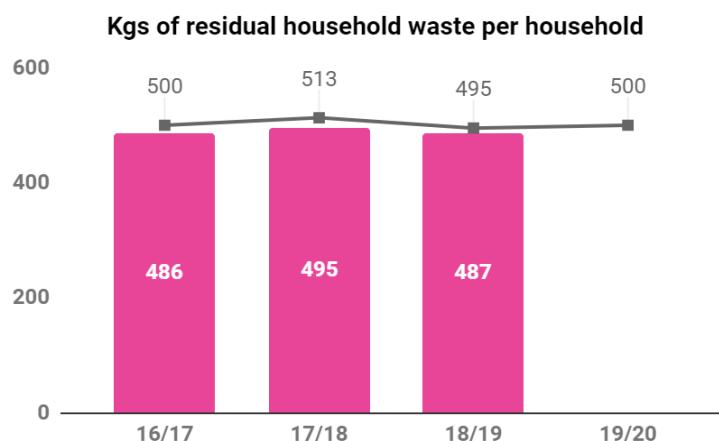
16/17	17/18	18/19	Trend	DoT	Projection
65.54	66.06	63.26	↓	↓	↔

Even though people are actively encouraged to reduce, reuse and recycle their waste, performance against this measure continues to be demand led. Total waste kg in 2019/20 is predicted to be similar to previous years. Some of WCC contracts are under pressure as are some recycling markets which trade globally. The service will control in-year pressures as best it can and was successful in this last financial year. At present Quarter 1 data is still being collated and will be available later during the Quarter 2 period - however early indications are that this measure is on track against the target.



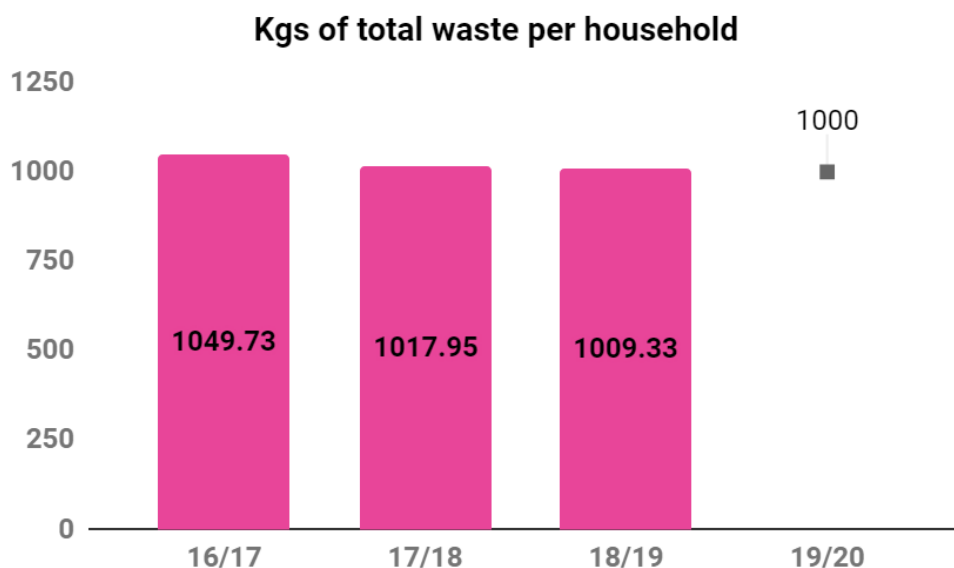
16/17	17/18	18/19	Trend	DoT	Projection
54	54	52	↔	↔	↔

Local recycling targets for 2019/20 are 50% county wide and 60% at the Household Waste Recycling Centres (HWRCs). 50% is less than the performance achieved last year however, this year Nuneaton & Bedworth Borough Council are charging for green waste, which is expected to have a negative impact. Nationally recycling rates are stagnating or falling and this trend is reflected in Warwickshire over the last few years. This performance level should be viewed in the context of the joint waste strategy, which agreed a recycling performance target of 65% for 2020 and also a residual waste target of 311 kg per household for the same year. Neither of these targets will be achieved. Performance is the first item on the meeting agenda of the Warwickshire Waste Partnership. Annual waste composition analysis shows that over half of kerbside collected residual waste can be recycled or composted using the WCC current kerbside collection services. It also shows that the majority of this (a third of total residual waste) is food waste. Moving materials out of residual waste into recycling and composting saves money and the environment. Early indications show that this measure is heading on track against the target.



16/17	17/18	18/19	Trend	DoT	Projection
486	495	487	↓	↓	↔

Performance in this measure was 487kg for 2018/19. The County Council continues to enthusiastically promote waste minimisation, home composting and recycling. The joint waste strategy target is 313 kg/hh, however, this target was written on evidence from waste collection authority waste only and did not take into account the waste collected at the Household Waste Recycling Centres. Quarter 1 data is still being collated and will be available later during the Quarter 2 period - but early indications are that this measure is on track against the target.



16/17	17/18	18/19	Trend	DoT	Projection
1049.73	1017.95	1009.33	↓	↓	↔

Waste reduction is right at the top of the waste hierarchy. This indicator measures the total amount of waste collected per household including recycling and composting. The less household waste produced the less waste WCC need to manage and therefore the less costs WCC incur. Quarter 1 data is still being collated and will be available later during the Quarter 2 period. Early indications show that the measure is currently on track to meet the target.