

Resources and Fire & Rescue Overview and Scrutiny Committee

Date of Meeting: 16 September 2020

One Organisational Plan Quarterly Progress Report Period under review: April 2019 to March 2020

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) Year-end Performance Report for the period April 1st 2019 to March 31st, 2020 was considered and approved by Cabinet on 9th July 2020. 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 Cabinet meeting held in June 2020.
- 1.2. This report draws on information extracted from the Cabinet report to provide this Committee with information relevant to its remit.

2. One Organisational Plan 2020: Strategic Context

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 64 KBMs.

Outcome	No. of KBMs
Warwickshire's communities and individuals are supported to be safe, healthy and independent	23
Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure	12

In addition, to demonstrate OOP delivery by ensuring that **WCC makes the best use of its resources**, a total of 29 KBMs are monitored.

As the Organisation continues to transform, this is the first full year performance report that will be reported against in the new [Commissioning Intentions Performance Framework](#). The new measures included in the Framework provide a sharpened focus on performance linked to the Organisation’s priorities. Detailed performance has been visualised utilising the functionality of the Microsoft Power BI system.

2.2 Of the 64 KBMs, 33 are in the remit of this Overview and Scrutiny Committee. At yearend the breakdown of performance is as follows:

- 27% (9) of KBMs achieved target;
- 40% (13) of KBMs did not achieve target;
- 33% (11) are not applicable, which are:
 - 8 KBMs which had no target set;
 - 2 KBMs which are not being reported in this financial year and are being baselined for future reporting; and,
 - 1 KBM, a new measure, which will be reported as part of the corporate approach to customer satisfaction in 2020/21.

There has been a substantial change since Quarter 3 when it was reported that 42% (14) of KBMs were on track and achieving target while 21% (7) were not on track and behind target and the remaining 37% (12) was not applicable. Of particular note are:

- % reduction in agency, contractor or consultancy spend which made good progress from below target at the mid-year position to on target at Q3, with particular improvement in People and Communities Directorates, but it dropped to -0.39% by year end and as such a projection going forward is not applicable at this stage; and,
- % HROD priorities completed which went from 100% of target achieved at Q3 to 79% at year end.

Chart 1, below, summarises KBM performance by outcome.

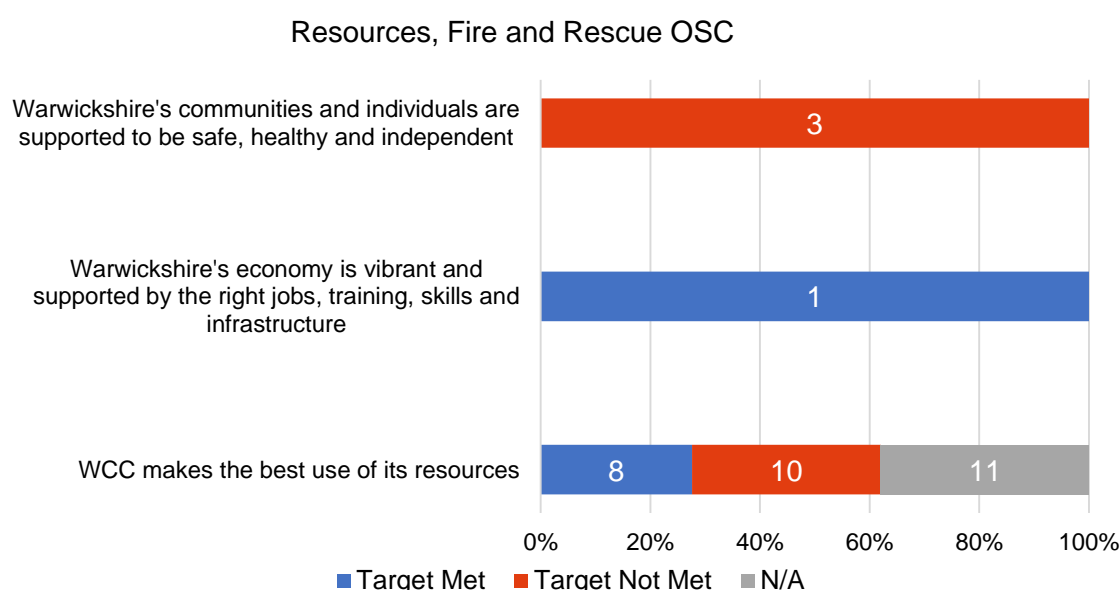


Chart 1

2.3 Of the 27% (9) KBMs that achieved target there are 3 measures where performance is of particular note:

- % Warwickshire broadband coverage where the yearend performance of 98.2% exceeded the 95% target, this is particularly of note considering the reliance on broadband with more people working from home during the Covid-19 pandemic;
- % customer satisfaction level with Customer Service Centre with this measure being consistently above target throughout the year; and,
- No. of Local Government and Social Care Ombudsman, Judicial Review cases or Information Commissioner’s Office adverse decisions for WCC, with a year result being 46% below target, it should be noted that there were no successful Judicial Reviews against the Council.

2.4 The full set of KBM’s form the basis of the 2020/21 performance framework and therefore a forecast performance projection for the next reporting period is included in this report. As targets have yet to be agreed the projection is based on measure owners current understanding of forecast performance levels. Chart 2, below, illustrates the considered forecast performance projection over the forthcoming reporting period. Please note that for some measures, although targets aren’t set, projections are still provided which means the chart at 2.2 and 2.4 won’t always tally.

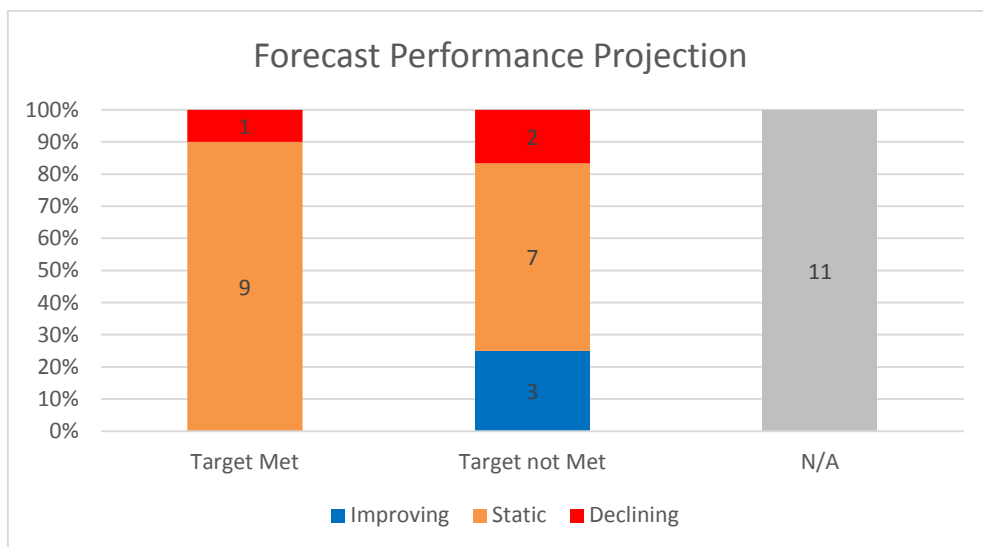


Chart 2

Of the 33 performance measures, 12 KBMs did not meet target, however 3 are projected to improve over the next reporting period, which are:

- % HROD priorities completed;
- % of Capital construction projects which fully deliver defined business case criteria; and,
- % net variation to revenue budget.

The table below highlights the 7 KBM’s, including remedial action being taken, where performance is projected to remain underperforming and static:

Measure	Remedial action
No. of fire related deaths	The Service fully investigates any fire related deaths in an effort to understand causes and identify any appropriate remedial action, this includes working with WCC colleagues and partner agencies to help identify, prevent or tackle upstream risks and issues
No. of fire related injuries	The Service closely monitors levels and types of incidents involving fire related injuries to address any emerging issues to inform community prevention activities. Similarly, to the fire related deaths measure, the Service will continue to work with WCC colleagues and partners to better understand any underlying causal factors (such as mental health issues or alcohol / drug dependencies etc) in the endeavour of preventing similar incidents and injuries in the future.
% times a fire appliance arrives at life risk or property incidents within agreed response standards	The Service deploys staff flexibly across different duty systems to provide optimum operational crewing at any given time, e.g. on-call staff will be utilised to support whole time crewing when needed and vice versa. Recruitment and retention of on-call firefighters is an ongoing challenge, reflecting the national picture, but the Service has seen significant improvements in on-call availability in recent months. Service Control redeploy both staff and vehicles daily to optimise emergency cover, however with the unpredictability and geographical spread of incidents the mitigating effect of this will always be limited. Targeted fire prevention activity is delivered to remote rural areas which the Service knows it will struggle to reach within the 10 minute response time. The property strategy of a more dispersed provision of our Prevention, Protection and Response services will be a key factor in improving performance in this area. Recent independent risk profiling work supports this strategy.
% of capital expenditure against budget	<p>The spend in 2019/20 of £109.628m is £20m to £25m higher than in recent years and represents a step change in the level of capital investment, although this still fell short of the £143.979m budget. Whilst there are still improvements to be made, the level of spend in 2019/20 indicates a direction of travel that will support the Authority in delivering on its ambitions and supporting investment in the infrastructure of Warwickshire. The £31.380m of planned spend that has moved into future years includes £2.971m of new schemes and £13.985m of expected spend on S278 funded schemes where we have little control over the timing. Net of these the underspend for quarter 4 was £17.395m.</p> <p>For 2020/21 there has been a concerted focus on redeveloping the Capital Framework and identifying</p>

	mechanisms to accelerate capital schemes help minimise future capital slippage. Covid-19 has impacted the rollout of the new framework and delayed the delivery of both existing schemes and the ability to approve and start new schemes though so is likely to further impact on this KBM for 2020/21. As part of the Covid recovery work efforts are being made to identify schemes that can be fast tracked to try and provide greater economic stimulus though.
% of revenue growth achieved against target	Whilst 2019/20 performance was on target, Covid-19 and the subsequent lowering of the Bank of England base interest rates have significantly impacted the targeted performance for Treasury Management investments expected within the MTFS. The TM strategy dictates security and liquidity outweigh return, consequently short-term decisions during Covid have had to be made to protect cash holdings and to ensure sufficient available cash balances exist to support earlier payments to suppliers and to mitigate emerging Covid financial risks. The local authority loans market has also been relatively static during this period. As a result of these factors this KBM will not be achieved for 2020/21. Work is also in train to identify new investment options that align with the agreed TM strategy that offer increased yields to limit any reduction. The financial shortfall in 2020/21 will be offset using the interest volatility reserve. The reserve specifically exists to manage unpredicted national changes to interest rates outside of our control.

Two further measures, ‘% staff satisfaction with modern working arrangements’ and ‘% leaders and managers driving a high performance culture’ were reported as being below target as part of the Quarter 3 report, however as they are taken from the annual staff survey, performance will have remained the same since that point. We will only have a revised figure against these measures when a staff survey asks the same question later this year and anticipate that current Covid-related working arrangements may impact the results.

Finally, there are 2 KBMs where performance did not meet target at year end and is projected to decline further:

Measure	Remedial Action
WCC makes the best use of its resources	
No. of days sick leave per FTE (rolling 12 months) (WCC)	Whilst the main reasons for sickness absence have been constant, we have seen an increase in absence for stress and mental health related reasons during 2019/20. During 2020/21, to improve performance we will introduce a specific project focused on building a sustainable and resilient workforce. This project will be a key part of our refreshed Our People Strategy which will sit within the Change Portfolio and will contribute to our organisational recovery plans. We will improve our data analysis and collation, use the results of

	<p>our staff wellbeing check-ins to inform our actions, build stronger links with Public Health working together on proactive interventions which particularly target mental health and wellbeing and support our managers to have constructive conversations with staff about their health and wellbeing. We will build on the pilot which has been running in the Resources Group which has introduced a more robust approach to improve the management of sickness absence. We will establish performance targets which will help drive improvement and progress against targets will be reported through the Change Portfolio. Given the impact of Covid, we expect performance to be uncertain for the first 6 months of 2020/21, however we expect to see an improving picture during the second half of the year.</p>
<p>% of revenue savings achieved against target</p>	<p>In 2019/20 92% of MTFS savings options were fully achieved, with a further 3% partially achieved. The non-achievement of the Looked After Children saving is the main cause for the large financial impact of shortfall, representing 72% of the £3.696m undelivered savings. This shortfall had been anticipated and was resolved as part of setting the 2020/21 budget.</p> <p>For 2020/21 though the initial assessment of the impact of Covid-19 estimates as much as £3.8m of the committed MTFS savings may not be delivered due to delays in starting delivery. Services are actively reviewing this as part of the quarter 1 financial monitoring to establish how much of the £3.8m may still be at risk. Where savings delivery is still impacted services are being asked in the first instance to identify any alternative options to address the gap. Ultimately any shortfall will be covered by the Covid-19 funding though where non-delivery is a direct result of the pandemic.</p>

11 of the KBMs do not have a projection currently as they are either not targeted or not anticipated to be measured going forward.

2.5 Comprehensive performance reporting is now enabled through the following link in Power BI to the Resources and Fire & Rescue [OSC Year End Performance Report](#)

The Resources and Fire & Rescue OSC [Year End Exception Dashboard](#) contains details of those measures that are of significant note where good performance or areas of concern need to be highlighted.

The Resources and Fire & Rescue [Year End Full Dashboard](#) provides a summary of performance for all KBM's within the remit of this Committee.

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 outturn position for the Services concerned.

	2019/20 Budget £'000	2019/20 Outturn '000	Revenue Variance £'000 %	Retained Reserves £'000	Financial Standing £'000
Business and Customer Services	18,978	18,708	(270) -1.42%	(753)	(1,023)
There was a one-off underspend of £0.310m due to delayed Early Intervention Projects and Third Sector Grant payments, which will be restarted in 2020/21, partially offset by staffing pressures in the Contact Centre as part of the Covid-19 response.					
Commissioning Support Unit	11,950	11,830	(120) -1%	120	0
Vacancies in staffing due to redesigns and planned changes to teams in the latter half of the year created a £0.4m underspend, offset by unexpected Covid-19 expenditure on PPE. The main underspend was planned to help bridge the costs of creating the PMO and Change Hub during 2020-21.					
Enabling Services	21,051	20,312	(739) -3.51%	679	(60)
The underspend in Enabling Services was mainly due to the reduction in county buildings operational costs and other property related maintenance expenditure. An overspend on staffing costs was supported by this underspend. A small traded surplus was also realised.					
Finance	4,578	4,165	(413) 9.02%	397	(16)
The main areas leading to the underspend were due to holding posts vacant during the service redesign.					
Governance and Policy	3,800	2,913	(887) -23.34%	201	(686)

The overall underspend for Governance and Policy comprised of smaller underspends across all areas of the Service. Underspends in HR and Legal Services totalled £0.663m and were due predominantly to increased trading and other income. An overspend on Montague Road was offset by underspends in Strategic Assets due to delayed projects, for which a carry forward of £0.340m is requested.

Fire and Rescue	20,507	20,631	124 0.60%	(1,306)	(1,182)
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The outturn position represented a slight overspend against budget, mainly owing to variations in rates of pension contributions, which will be covered by the volatility reserve set up for this purpose. Previous forecasts included the potential risk associated with probable national legal and or industrial action in respect of the Day Crewing System. This has now been settled and will result in an additional cost in 2020/21.

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 and all are expected to be delivered by the end of the financial year:

	2019/20 Target £'000	2019/20 Actual to Date £'000	2019/20 Forecast Outturn £'000
Business and Customer Services	125	125	125
Commissioning Support Unit	150	150	150
Enabling Services	704	704	704
Finance	95	95	95
Governance and Policy	886	688	688
Planning permission for Montague Road not secured by developer. This has impacted on sale of site and timeframes.			

Fire and Rescue	369	369	369

3.3 Capital Programme

3.3.1. The table below shows the approved capital budget for the business units, 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)
Business and Customer Services	2,057	(83)	-44	16	0	2,073

The underspend was caused by delays in the acquisition of three mobile library vans.

Enabling Services	28,385	(5,850)	-31	10,581	182	39,148
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The largest element of slippage related to delays in the development of rural broadband (£4.219m). A revised delivery plan was received from Openreach during quarter 4 which has changed the phasing of rural broadband as a result of shortages of civil engineers and revised guidance from DCMS (Department for Culture, Media and Sport). There was a £0.376m delay in Teams telephony roll out across WCC, some of this related to the speed of the cloud migration project which meant some planned hardware replacement was not required. the Covid-19 slowdown impacted on the works to the Veteran's Contact point (£0.384m). Across the organisation asbestos remediation work was delayed because of a long-term vacancy for an Asbestos Surveyor (£0.680m).

Governance and Policy	8,828	(1,218)	-18	65	5	8,898
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The underspend mostly related to changes in the phasing of spend on strategic site planning applications (£0.778m) where costs can be uncertain and the phasing dependent upon disposals and the progress of planning applications. Another £0.202m was due to delays in the

rationalisation of county storage project resulting from changes to the plans for the relocation of the forestry team. Rural Services have slipped £0.236m of spend into 2020/21.

Fire and Rescue	8,281	(1,178)	-44	1,262	19	9,562
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The underspend mainly related to delays to the Fire and Rescue training capital programme. The commencement of these projects has been realigned to the overall training programme with various elements due for completion during 2020/21 and 2021/22. In addition to this, there was a delay in the WFRS emergency services network project resulting from a dependency on the upgrade of incident command and control systems, which is due for completion in January 2021.

4. Supporting Papers

- 4.1 A copy of the full report and supporting documents that went to Cabinet on the 9th July is available via the following [link](#) and in each of the Group Rooms.

5. Environmental Implications

None specific to this report.

6. Background Papers

None

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