

REPORT OF THE CABINET

A: ANNUAL DELIVERY REPORT AND PERFORMANCE COMPENDIUM 2020

Introduction

1. This report presents the Annual Delivery Report and Performance Compendium for 2020.

Background

2. The County Council's Annual Delivery Report and Performance Compendium for 2020 is part of the Council's policy framework and, as such, requires the approval of the full Council. The documents provide performance data which will help the Council and its partners to ensure services continue to meet standards, provide value for money and that outcomes are being achieved for local people.
3. It is best practice in performance management, implicit in the Local Government Association (LGA) Sector-Led approach to local authority performance and part of the Council's Internal Governance Framework, to undertake a review of overall progress at the end of the year and to benchmark performance against comparable authorities. It is also good practice to produce an annual performance report and ensure that it is scrutinised, transparent, and made publicly available.
4. The National Audit Office has recently issued best practice guidance for annual reports, highlighting that the annual report is a key mechanism for transparent disclosure of an organisation's in-year performance and governance matters. Disclosures in the annual report will help to provide information about the impact of the coronavirus on the organisation. The report should discuss how the entity has performed in the year, including areas where performance has deteriorated or below expectations, where money has been spent and the other key risks.
5. The draft Annual Delivery Report and Performance Compendium appended to this report cover County Council delivery over the last 12 months or so. They draw largely on 2019/20 comparative data, although older data is included where more up to date information is not available. In some cases, the data is more recent, particularly around early indications of the impact of coronavirus on services and outcomes.
6. The assessment of performance has been divided into two parts – the Annual Report, the first part, is narrative, describing delivery, progress with implementing agreed plans and strategies, and achievements over the last 12 months. It largely focuses on performance against County Council priorities for community outcomes as set out in its Strategic Plan 2018-22 and other main service strategies, particularly during the first half of the year. The report also includes information on the Council's significant response to the coronavirus

pandemic in the second half of the year, the emergent implications for services and outcomes, higher levels of service and financial risk and current work on service recovery.

7. The second part is the 'performance compendium' which has been enhanced this year and contains information on:-
 - Current inequality in funding and the Council's Fair Funding campaign and proposals;
 - Current financial pressures and savings needs;
 - National and local service pressures and corporate risks;
 - Comparative performance, cost and service benchmarking 2018/19 including lower comparative performing areas;
 - 2019/20 end-of-year performance figures, where available, and a summary of progress towards the 2018/22 Strategic Plan outcomes.
8. Comparative data is sourced from a range of acknowledged data sources including the Local Government Association (LG Inform) national data system, Public Health and Adult Social Care Outcomes Framework data, OFSTED and Department for Education data sets, national highways survey, statutory returns, and Chartered Institute of Public Finance and Accountancy (CIPFA) data. There is some comparative data still to be published due to delays nationally as a result of coronavirus, some of which are due to be published by December 2020. The overall Council benchmarking position for 2019/20 will also be updated at that point.
9. The appended Annual Report is a draft document and will continue to be developed to incorporate points made by the Cabinet as well as the inclusion of any final national comparative data which becomes available prior to its consideration by the County Council on 2 December. The final Annual Report will be published on the County Council website (<http://www.leics.gov.uk>) together with a shorter summary version.

Delivery Narrative Summary

10. Overall analysis of the narrative shows some strong examples of delivery across the theme outcome areas, particularly during the first half of the year. The report has substantial sections on economy and transport, housing, health and wellbeing, safer communities and children and families' delivery and environment/ communities, reflecting a range of work going on to meet priority outcomes in these theme areas. A short selection of some of the highlights is set out in the paragraphs below.
11. In relation to the **economy, housing and transport** progress includes: -
 - Progress with Project Alchemy and the Development Corporation with significant development and growth plans in areas around East Midlands Airport with potential £4.8bn GVA for the region. Progressing plans for developments at Lutterworth and M69 Junction 2. Strategic planning work

in support of the Strategic Growth Plan including - Leicestershire Northern Gateway, Whetstone Village, Lutterworth East, Ashton Green.

- Progress at the Enterprise Zones and Loughborough University Science and Enterprise Park including the new Access Group Headquarters. Opening of Apollo Court and Airfield Business Parks with approval also given for the Leaders Farm development.
 - Business support includes the £5.5m ERDF business advice service and £2.5m business growth grants. Growth Hub (£8m) and Digital Skills Growth Programmes with an extra £5m. Work of the new Inward Investment Service and approval of a new Tourism Growth Plan. The small business grant fund and Retail Hospitality and Leisure Grant Fund have also supported businesses as well as the Creative Leicestershire Programme.
 - Skills support work includes the MoneyWise Plus, Work Live Leicestershire (£2.4m) project and SEGRO and HS2 skills supply chain support. The health and care skills plan has progressed, and good skills delivery continued through the Adult Learning Service and apprenticeships programme.
 - Additional major transport work includes input to continued HS2 development plans to ensure an integrated package of improvements. The Coalville Transport Strategy and A511; Loughborough M1 and A512 project; Melton Distributor Road; Anstey A5630 completion. Hinckley, Nailstone, Lutterworth East, and Fosse Park transport improvement initiatives.
 - The average speed cameras scheme is being further rolled out together with rural road speed reduction schemes and continued community speed watch. New cycling facilities have been agreed at park and ride sites as well as support for the E-bike scheme.
 - The operational highways teams have seen significant work to support major flood/storm responses due to Storms Ciara and Dennis, major maintenance on 3 key routes and a new gully cleaning approach.
12. In relation to **health, care and wellbeing** progress includes: -
- Continued implementation of Better Care Fund investments (circa £62.4m) including integrated neighbourhood teams, discharge and reablement, and home care. The new Adult Social Care Target Operating Model, unified prevention offer, progress on new Technology Enabled Care arrangements, and First Contact. The Inspired to Care workforce work has sought to improve recruitment and retention in social care.
 - The Social Care Investment Plan (£10m) has seen developments at Box Tree Farm, Ratby, Snibston dementia care and extra care (£5.5m) scheme, and Hinckley autism and learning disabilities housing scheme. In addition, the learning disabilities, Transforming Care Programme, has seen 4-unit

provision in Markfield. Disability services in North West Leicestershire, worth £3.7m, with 16 properties plus short breaks.

- Supported living, community life choices and shared lives also continue to support vulnerable people with a pooled budget, whole life disability strategy and new Dementia Strategy.
- In relation to public health, social prescribing and link workers, healthier lifestyle services, weight management, and local area coordinators have been progressed. A new Sexual Health Strategy, new model for homelessness prevention and work continued on the Healthy Child Programme and workplace wellbeing.
- Start a Conversation and Routes to Resilience provide mental health support, together with improved suicide prevention and a full programme of sport and physical activity work.

13. In relation to **children, families and safer communities**: -

- The action plan arising from the Ofsted inspections has been progressed with further actions planned after the latest inspection. The Children's Innovation Partnership has supported development including a £798,000 holiday activities/food scheme, Advanced Life Skills programme, Family Group Conferences and residential care redesign. The updated Corporate Parenting Strategy is being implemented along with safeguarding Signs of Safety approaches for both children and adults services.
- The new SEND (Special Educational Needs and Disabilities) Strategy sees significant investment alongside a new Inclusion Strategy. Action is progressing following the recent inspection and agreement of a SEND Inspection Action Plan. 15 new resource bases/700 places have progressed with new special schools at Barwell, Blaby and Shepshed.
- The new Children and Family Wellbeing Service has been embedded from April 2019 and the Supporting Leicestershire Families element continues to meet its targets. New school place delivery has continued with 1000 new primary and 32 secondary places and Ashby Primary School progressing.
- A new Community Safety Strategy has been agreed and £480,000 funding secured to address violent youth crime. The Advanced Life Skills project will support 30,000 young people aged 11-14 and Project Responsive is providing extra staff/intensive youth support aimed at children subject to criminal or sexual exploitation; with a clinical psychologist for acute childhood experiences. The IMPACT team has also continued its work. A new delivery model for domestic violence/abuse has progressed with £700,000 attracted to support survivors of domestic abuse – the Hope Project.
- The Trading Standards Service has seen significant work at East Midlands Airport with seizure of 185,000 items including 82,000 unsafe items in the last 3 months. Food chain and allergen work and increased scams have

been investigated with regard to covid-19, as well as work to tackle home improvement issues.

14. In relation to **great communities and environment**: -

- Emergency Management has supported a significant response to flooding as well as supporting Community Response Plans and no-deal Brexit planning, particularly in relation to the possible impact on East Midlands Airport.
- SHIRE Community Grants have support voluntary and community organisations to the value of £368,000, with 90 community projects. There has also been significant work to support volunteering and Community Managed Libraries with £60,000 granted to help with lost income. Neighbourhood planning; time banking; and the Loneliness project work, toolkit, and Friendly Bench initiatives progressed. A New Equalities Strategy was agreed together with supporting actions. Armed Forces Covenant work secured an award of recognition.
- The new Environment Strategy has been agreed and £16m investment. Projects progressing including green electricity tariff, more electric vehicle chargers, Quorn solar farm plans, plans to double solar PV and LED lighting at County Hall. SHIRE environmental grants have also supported community action. A new Vision for Country Parks has been set out as well as Tree Management Strategy, wildlife verge project, and environment action volunteers. Waste site redevelopments are progressing as is procurement of additional waste treatment capacity and a waste transfer station at Bardon.
- Culture and libraries services have seen good progress on the £3m Snibston redevelopment as well as the significant Thomas Cook archive acquisition. Smart libraries implementation has progressed along with enhanced digital services and a click and collect service. The Isolated but Inspired project has captured life under lockdown and services adapted such as the Online Bosworth festival. Project enlightenment was delivered at the 1620s House at Donington le Heath.

Significant Coronavirus Response

15. The report also sets out how Council services have had to adjust operations, such as moving to online or safer delivery modes, to cope with the impact of coronavirus. Many service areas have had to go above and beyond usual service expectations and workloads to support vulnerable people, communities, business, service users and staff during an extremely challenging period. At the same time as doing this the Authority had to move to a largely online, working from home delivery model, in line with national guidance. Some of the response work is highlighted below -

- **The Local Resilience Forum (LRF), LLR Prepared** has coordinated the response to Covid-19 across the Leicester, Leicestershire and Rutland area, with County Council managers actively involved in LRF cells. The Resilience Team has operated 24/7, and 365-day cover with LRF

working 24/7 to support distribution of PPE to key workers as well as work to ensure effective mortality support.

- **Trading Standards** has carried out an enhanced Covid-19 regulatory role as well as dealing with significant PPE imports, advice and safety checks/compliance. This involved around 1300 hours of work including advice to business entering the market, ensuring business compliance with restrictions, and investigating on behalf of Public Health. There has also been a need to issue and monitor restriction/closure notices.
- **Public Health** has supported advice in relation to those with or in contact with Covid-19 – including providing local health advice, piloting local test and trace arrangements, working with Leicester City Council and the Government to keep residents safe during lockdown and bringing down cases. Incident management teams have been established together with implementation of rapid local actions to restrict the spread including testing and outbreak management. Matt Hancock has praised the *'impressive local partnership working'*.
- Substance misuse services have been kept open, with some interventions moving to digital, and safety precautions for face to face work. Healthy at Home online support has aimed to get people active in lockdown, in partnership with Radio Leicester. Sports Organisation Support assistance to sports clubs through the SOS grant fund which has supported 35 local organisations.
- **Adult Care** – has provided support to care homes, such as with PPE etc with 240 additional staff working across the first Bank Holiday weekend. Staff from adult learning and libraries were redeployed into new roles to support the efforts, including working in the Customer Service Centre to make essential calls to vulnerable people. 100 people in total were redeployed. Adult mental health staff have been on call to support those with mental health needs.
- Contracts and commissioning staff supported independent providers to access PPE and those with learning disability to understand the new guidelines. Interventions have been made to keep people safe and well. The service also sought PPE donations for key workers with drop off centres set up. Care homes were supported to do everything they could to keep people safe.
- **Children and Families** - schools were supported with advice around the clock. Schools were supported to reopen for children of essential workers, including during school holidays. Schools and services also offered care, food and support to families in need, with additional educational psychology service help. Schools also donated vital equipment to help with PPE supplies.
- **Vulnerable children** were supported through normal services with visits and online contacts. The *'Their door is shut. Ours is open'* campaign sought to raise awareness of safeguarding issues, asking people to be

extra vigilant during lockdown. The Children and Family Wellbeing Service provided face to face, video, online group and skype sessions. 1000 food parcels were also offered to support families struggling to access essentials.

- **The Communities Service** managed the £1.6m Communities Fund to support voluntary and community sector groups to help vulnerable people and mobilise and support volunteers with 160 plus groups supported. The Shielding Vulnerable People team provided a dedicated response to the 25,000 people identified including making 14000 initial calls and supporting 5301 with essential supplies, and 1203 with basic care. £540,000 was given to food banks, helping supply emergency food parcels for those shielding.
 - In relation **economic support** and recovery - a Business Recovery Fund of £750,000 was established and new economic recovery strategy and plans developed. Market town Covid-19 preparedness was supported and pop-up walking and cycling routes created through the Active Travel Fund. Extra school bus support was provided. Every effort was made to ensure that where possible work continued on road maintenance to take advantage of reduced traffic. Highways Parish and Communities Fund grants were also offered to support local highways initiatives.
 - **Council Internal Response** - business continuity plans were enacted quickly for Covid-19 with lower priority work paused. Resilience planning was carried out through daily meetings with work focusing on supplies of PPE. 90% of staff were supported to work from home with IT support. Human Resources services also supported a range of staff to redeploy into new roles, together with enhanced wellbeing support, sickness advice and organisational communications. June saw interim recovery plans developed to recover services following the initial lockdown with revisions to service plans, enhanced budget management and reprioritisation of revenue and capital spend.
 - The **Transformation Unit** also supported 40 initiatives in 2019/20 together with the approach to recovery, seeking to embed carbon reduction, digital delivery and new ways of working alongside cost savings. Property services ensured buildings were Covid-19 secure. Work was carried out to assess and manage impact on commercial services income and rationalisation of the Authority's property estate. The Fit for the Future IT project has progressed to support more digital delivery. The Council's website has seen record usage and also improved. A new Business Intelligence Strategy and significant new data work has underpinned the response to Covid-19. Overview and Scrutiny has quickly adapted its delivery to online operations and contributed to representation, performance and delivery across a range of areas.
16. There remain good planning arrangements, financial management and governance in place supporting delivery, and these are having to be kept under more regular review and adjusted, where necessary, to reflect the approach to both the pandemic and service recovery. The Council has

established Recovery Groups at both member and officer level in order to coordinate recovery planning activity to help manage the overall impacts.

Performance Data Analysis

17. Initial analysis of 2019/20 end-of-year data shows that of 191 metrics, 88 improved, 56 show no real change and 47 have worsened. Direction of travel cannot be determined for 18 indicators, due to the absence of previous data or changes to indicator definitions. Clearly the pandemic has affected outcomes in a number of areas since end-of-year data, and some of these issues are flagged in the associated dashboards. A summary of progress on the indicators is set out in the Performance Compendium along with the actual detailed data and dashboards.
18. Based on current comparative analysis, 31% of indicators are top quartile, 33% second quartile, 21% third quartile and 15% fourth quartile. In late 2019 the Council was identified by the consulting firm IMPOWER as the **most productive council** using a range of performance and spend measures. The Council's own more detailed benchmarking shows that it moved up to **2nd best performing county** in England on a wide range of performance measures in 2018/19, despite being the lowest funded.

Fair Funding

19. The report analysis identifies that low funding remains the Council's Achilles heel. Leicestershire remains the lowest-funded county council in the country with greater risks to service delivery as a result. If it was funded at the same level as Kensington and Chelsea it would be a massive £366m better off. London Boroughs are particularly prevalent at the top of the funding league table.
20. The list of authorities with serious financial issues continues to grow with some counties having moved towards providing services only at the statutory minimum level. Last year the Council published a new simplified funding model based on factors that drive demand for local services. It allocates money fairly based on need and narrows the gap between the highest and lowest funded councils. If implemented, the model would unlock up to an extra £47m for Leicestershire. The extent of service reductions made has already affected most areas of service delivery and some areas of performance, and further cuts will put other areas at risk.
21. Rising demand means that over the period of the Medium-Term Financial Strategy, growth is required due to pressures related to responding to additional coronavirus service costs, child placements, school places, learning disabilities, support for children with SEND, waste disposal, and the ageing population. As a result, the Council has a funding gap of £15m and £20m in the next two years, rising to £50m by 2023/24. There will need to be an increased drive to identify further savings and whilst the focus will be on efficiency and productivity, inevitably there will be a need for additional reductions which will require some difficult decisions.

National and Local Financial and Service Demands/Pressures

22. In November 2019 the Institute for Fiscal Studies (IFS) reported that social care was swallowing up such high proportions of council spending that other services had suffered cuts of 40%. In its first annual report on local government finance, the IFS said budgets were increasingly focused on meeting statutory duties, with 57% of councils' non-education service budgets consumed by adults and children's care services. Spending on concessionary bus passes accounted for a quarter of all highways and transport spending. Spending per resident on culture and recreation and housing had fallen by 50% on average and highway maintenance by 53%.
23. In May 2019 the County Council's Network (CCN) reported analysis by PwC on the financial sustainability of councils up to 2025. The analysis showed a funding black hole of more than £50bn over six years as a result of rising costs and demand for services, which would mean yearly council tax rises, new charges for services and, notwithstanding these, more cuts. Unless extra funding was provided only the bare minimum of services would be possible with many vital services all but disappearing.
24. CIPFA/Institute for Government Performance Tracker – published by the Institute for Government (IFG) and CIPFA, *Performance Tracker 2019* looks at performance, demand and spending on nine public services for the next five years including GPs, hospitals, adult social care, children's social care, neighbourhood services, police, prisons, courts, and schools. The report finds that all public services analysed have seen some decline in performance – either in their quality (the standard of public service provided and how satisfied users are) or scope (the range of services provided and the number of people able to access them). Demand is rising particularly quickly for health and care services because of the ageing population, an increase in the number of people with multiple health conditions, and rising life expectancy for people with physical and learning disabilities.
25. In adult social care, the service facing the most pressure, any government would have to spend nearly £1 billion more just to keep pace with demand. The report's authors express serious concerns about rising prison violence and about the scope of local government services
26. The service pressures and risks section of the compendium highlights a number of other reports published this year that continue to identify pressures on services, residents and continued good outcomes in addition to those cited in the paragraphs above, including passenger transport, air quality, knife crime, community cohesion, climate change and workforce recruitment and wellbeing. These have been exacerbated by the coronavirus pandemic and a range of areas are now subject to stronger monitoring.

Areas for Continued Focus

27. Given the significant financial challenges, demand, and delivery pressures facing the Council and the need to maintain both continued pandemic support and a strong recovery, areas for focus include: -

- Continuing to support communities, vulnerable people, business and staff and maintain a strong public health and regulatory response to the coronavirus pandemic and progress, as appropriate, on service recovery plans;
- Continuing to maintain the Fair Funding Campaign, pursue savings initiatives and cost mitigation measures and seek more sustainable funding for local services;
- Continuing with implementation of the Outcomes Framework, subject to any amendments as a result of the pandemic, Medium Term Financial Strategy and an updated Strategic Change Programme, including more digital delivery and a new workplace strategy;
- Taking forward actions arising from the Climate Emergency Declaration and the Environment Strategy;
- Progressing the continued delivery of improvements to support vulnerable children and families and meet demand pressures on children's social care and SEND;
- Maintaining the good progress on health and care integration and pressing for a government solution to the challenges in adult social care;
- Continuing with effective and targeted responses to various public health challenges;
- Implementing enhanced economic recovery and skills plans and measures to support the economy and those affected;
- Continuing partnership work with the Police and Crime Commissioner to pursue targeted crime areas such as domestic violence;
- Maintaining the focus on supporting workforce health and wellbeing.

Views of the Scrutiny Commission

28. The draft Annual Delivery Report and Performance Compendium was considered by the Scrutiny Commission at its meeting on 4 November 2020. The Commission has generally welcomed having a broader approach to the Annual Delivery Report with the inclusion of wider information on comparative funding, service pressures and risks, as well as wider performance data in the Compendium.
29. The Commission discussed and highlighted a number of points including the reliance on EU funding to underpin delivery in a number of areas including skills and inclusion work, with lack of clarity around how these areas would be carried forward post-Brexit. Further information was requested on how the proposed national Shared Prosperity Fund could support delivery, when

available. It was noted with concern that the Government's Fair Funding Review had been delayed and that the county and services had a wide and unfair funding gap compared to others particularly, but not just, the London Boroughs.

30. The Commission noted the work on Speed Cameras and agreed that the Treasury should continue to be pressed to enable local authorities to keep the proceeds to support road safety schemes. The importance of tackling obesity was also highlighted and the fact this was a much broader issue than just a physical activity offer. It was also suggested that it would be beneficial to look at options for homelessness provision to serve the south of the county, as at present it seemed to be focused in Loughborough.
31. The Commission would welcome clarity on the latest position with regard to the submission of unitary proposals, once the Government's position was clear. It was noted that the performance data for unitary counties needed to be carefully interpreted, due to the impact of demographic factors on outcomes, with a number of unitary counties achieving higher performance than their demographic levels would suggest.
32. The need for continued transformation was noted and the importance of projects such as the recent Adult Social Care Target Operating Model. The support given by the Transformation Unit in enabling change across the Authority was welcomed, though some concern was expressed about the additional use of consultants and whether this offered value for money. It was agreed that this would be something that required close monitoring.
33. The importance of Country Parks and green spaces was highlighted, particularly evident during the pandemic, and it was requested that work continue to ensure that further facilities can be developed in those areas with less access to current facilities.

Equality and Human Rights Implications

34. There are no equality and human rights implications directly arising from this report. The draft Annual Delivery Report and draft Performance Compendium incorporate the progress of the County Council against key equalities commitments and indicators.

Decision of the Cabinet

35. The Cabinet on 20 November decided as follows: -
 - a) That the comments of the Scrutiny Commission be noted;
 - b) That the overall progress, particularly during the first half of 2019/20, in delivering on the Council's Strategic Priorities as set out in the draft Annual Delivery Report, be noted;
 - c) That the significant and ongoing impact of the coronavirus pandemic on the outcome of delivery across a range of Council services from late

February be noted, together with the strong local response from the council and partners to support vulnerable people, communities, business, the voluntary sector, staff and others throughout the pandemic;

- d) That the Council's current low comparative funding, good performance position, and escalated service pressures and risks now facing the Authority as set out in the Performance Compendium be noted;
- e) That in light of the pressure on the Council's financial sustainability arising from continued service demand and cost pressures, that have been compounded by the Covid-19 crisis, the Council will continue to press its case for a fairer funding settlement and other major savings initiatives, noting that the delay in implementation has created significant uncertainties as to how the Council can now address the many service challenges and priorities it faces;
- f) That the Chief Executive, following consultation with the Leader, be authorised to make any amendments to the draft Annual Delivery Report and Performance Compendium prior to its submission to the County Council on 2 December 2020 for approval.

(Motion to be moved: -

That the Annual Delivery Report and Performance Compendium 2020 be approved.)

20th November

Mr N. J. Rushton CC

Background Papers

Report to the Scrutiny Commission – 4 November 2020 - Annual Delivery Report and Performance Compendium 2020

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=137&MId=6178>

Report to the County Council – 8 July 2020 - Leicestershire County Council's Revised Strategic Plan 2018-22

<http://politics.leics.gov.uk/documents/s154181/LCC%20Strategic%20Plan%202020.pdf>

Institute for Fiscal Studies Report on Local Government Finance - 2019

<https://www.ifs.org.uk/publications/13814>

Price Waterhouse Coopers Report – Sustainability of Local Authorities to 2025
<https://www.countycouncilsnetwork.org.uk/local-government-finance/>

CIPFA/Institute for Government Performance Tracker 2019
<https://www.instituteforgovernment.org.uk/publications/performance-tracker-2019>

The State of Health and Adult Social Care in England 2019/20.
<https://www.cqc.org.uk/publications/major-report/state-care>

Local Government Association: LG Inform Benchmarking System
<https://lginform.local.gov.uk/>

Appendices

Appendix A - Draft Leicestershire County Council Annual Delivery Report 2020
Appendix B - Draft Performance Compendium 2020

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