



CABINET – 25 NOVEMBER 2022

**ANNUAL DELIVERY REPORT AND PERFORMANCE COMPENDIUM
2022**

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of the Report

1. The purpose of this report is to present the draft Annual Delivery Report and Performance Compendium for 2022 which sets out the Council's progress and performance over the past year. The Delivery Report itself (attached as Appendix A to this report) focuses largely on delivery against the new County Council priorities as set out in the Council's Strategic Plan 2022-26 and other main service strategies.
2. The Performance Compendium (attached as Appendix B) includes information on comparative performance and 2021/22 performance outcome results, low overall funding for Leicestershire and the current associated risks.

Recommendations

3. It is recommended that:
 - (a) The overall progress in delivering on the Council's new Strategic Priorities, as set out in the draft Annual Delivery Report 2022 be noted;
 - (b) The Council's current low comparative funding, good performance position, and financial pressures and risks now facing the Authority set out in the Performance Compendium be noted;
 - (c) In light of the pressure on the Council's financial sustainability arising from continued service demand and cost pressures, the Council continues to press its case for a fairer funding settlement, 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; and
 - (d) 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 for approval to the County Council on 7 December 2022.

Reason for Recommendations

4. It is best practice in performance management, implicit in the 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.
5. The National Audit Office has 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. The report should discuss how the entity has performed in the year, including areas where performance has deteriorated or is below expectations, and the other key risks.
6. The County Council is poorly funded in comparison with other local authorities and this, until addressed, will continue to affect delivery, performance, risks, and Council Tax levels.
7. The draft Annual Delivery Report and Performance Compendium may be modified to reflect comments made by the Cabinet as well as to include any final national comparative data which becomes available prior to its consideration by the County Council.

Timetable for Decisions (including Scrutiny)

8. The draft Annual Delivery Report and Performance Compendium 2022 was considered by the Scrutiny Commission on 9 November. The views of the Commission are set out in paragraphs 27 to 30 below. The Annual Delivery Report and Performance Compendium is scheduled for consideration by the County Council at its meeting on 7 December.

Policy Framework and Previous Decisions

9. The Annual Delivery Report and Performance Compendium form part of the County Council's Policy Framework. The information outlined in the report provides 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.
10. The five priority outcome themes in the Council's new Strategic Plan, approved by the County Council in May 2022, encompass a number of supporting outcomes, which together form the overall Single Outcomes Framework which sets priorities for the Authority and enables more effective deployment and targeting of resources. The Annual Performance Report includes an assessment of initial progress in relation to the Outcomes Framework.

Resource Implications

11. The report has no direct resource implications.

Circulation under the Local Issues Alert Procedure

None.

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PART B

Background

12. The draft Annual Delivery Report and Performance Compendium, appended to this report, cover County Council delivery over the last twelve months or so. They draw largely on 2021/22 data, although older data and benchmarking is included where more up to date information is not available. In some cases, the data is more recent.
13. The assessment of performance has been divided into two parts – the Annual Delivery Report (the first part) is narrative, describing delivery, progress with implementing agreed plans and strategies, and achievements over the last twelve months. It largely focuses on performance against County Council priorities for community outcomes, as set out in the Strategic Plan 2022-26 and other main service strategies.
14. The second part is the ‘performance compendium’ which contains information on:
 - Current inequality in funding and the Council’s Fair Funding campaign and proposals.
 - Comparative performance, cost, and service benchmarking 2020/21 including lower comparative performing areas.
 - 2021/22 end-of-year performance figures, where available.
 - Service and corporate risks.
15. There is some comparative data still to be published, some of which is due to be published by December 2022. The overall Council benchmarking position for 2021/22 will also be updated at that point.
16. 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 7 December. The final Annual Report will be published on the County Council website (<http://www.leics.gov.uk>).

Delivery Summary

17. Overall, analysis of the narrative shows some good examples of delivery across the theme outcome areas. The Report has substantial sections on economy, transport and skills, health and wellbeing, safer communities and children and families’, clean and green environment and stronger communities, reflecting a range of work which is on-going to meet priority outcomes in these areas.
18. There remain good planning arrangements, financial management and governance in place supporting delivery, including new Outcome Delivery Boards for each theme of the Strategic Plan.
19. Examples of some of the delivery highlights from the priority themes include: -

Clean and Green – the major new Net Zero Strategy and Action Plan, £1m funding secured for electric vehicle charge point roll out, support to vulnerable households for energy efficiency improvements, the Green Homes Grants delivered 278 environmental measures, and there were 2357 energy company obligation referrals.

Over 130,000 trees have been planted towards the target, Shire Environment Grants to local projects to support biodiversity, and leaving wildflowers on urban roadside verges across the county. An updated Resources and Waste Strategy including initiatives to reduce waste, ongoing improvements to Kibworth Household Waste Site, 1000 home composting bins sold and a range of waste campaigns. Environmentally friendly treatment of oil/chemicals in road gullies.

A 75% reduction in our carbon emissions from 2009, planned roll out of a new solar farm with enough electricity to power all our properties, saving £600k a year, Leicestershire's first zero carbon primary school and supporting sustainable tourism.

Strong Economy – investment in key development sites, progressing plans for the new Freeport, on schedule and expected to create 61,000 new jobs, and plans to extend the successful Airfield Business Park. £1m support to businesses including community pubs. Support and guidance to businesses through the Business Hub and the Place Marketing Team secured £185k to support place marketing activities. Leicestershire Trading Standards Service delivered a range of advice to existing and start-up businesses as well as enforcement action to protect legitimate activity. Completing phase 3 of the broadband programme, connecting 75,000 homes, with 97% coverage, and working to create 50 gigabit hubs in rural areas.

Skills – secured £3m to improve basic numeracy skills through the Multiply Programme over 3 years, and £500k LLEP support to extend Kickstart work placements for young people. Supported apprentices with the Council and other employers, and the Work and Skills Leicestershire project supporting 650 personalised work plans. Hundreds of 'Go Learn' courses were also delivered through the Adult Learning Service.

Transport - £120m developer money secured to pay for new community infrastructure, and apportionment of the 91,000 new homes needed to 2036. Completion of improvements to the M1 junction at Loughborough, road improvements for Hinckley, and progressing plans for major road improvements around Melton Mowbray and Coalville. Successful bids to upgrade traffic lights to LED and reduce faults and £11m to maintain roads including protecting 600,000 square metres from potholes. A total of £19.28m invested in Highways Asset Maintenance and the service responded to three major storms and flood related issues.

Progressing bus service improvement plans, including establishing an enhanced partnership with bus operators, launching three fully accessible minibuses bookable via an app or call and FoxConnect, a three-year trial through a successful funding bid. £170k funding secured to develop cycling and walking

infrastructure plans around Loughborough and south of Leicester. Park and stride schemes with schools, two camera enforcement cars patrolling at 167 schools and the school streets initiative.

Great Communities – a new Communities Strategy to 2026, supporting 700+ Ukrainians to live in the county, implementing a new Hate Incidents Strategy, equalities mentoring programme and retaining Disability Confident accreditation, Armed Forces employer gold award and Stonewall top 100 ranking. The SHIRE Grants budget was upped by £500k to help voluntary organisations, with support to 169 projects totalling £900k, and also active volunteer programmes and support.

Continuing to support 35 community libraries, with visitors to libraries and heritage attractions recovering post pandemic, museums bettered their high inspection scores with the 1620s House and Garden and Bosworth Battlefield getting top accolades. Snibston Colliery Park won a Green Flag and the new Watermead Memorial Walk with 58 trees was established. Support for local resilience arrangements, with 59 Community Response Plans.

Improved Opportunities - supporting access to free early years education, promotion and materials around a child's first 1001 days of life, advice for new parents and relaunching the Healthy Tots Programme. Targeted funding and additional support to schools that need it, partnership work to reduce the attainment gap for the most disadvantaged. 90 school capital improvement projects totalling £3.7m, 705 additional school places delivered, and a £17.5m project to refurbish and provide new school places in Shepshed. Plans for a new £6m primary school in Hinckley.

Special needs support resources developed, and 19 new SEND resource bases established in mainstream schools. A new eco-classroom in Coalville, and a new Forest School. Children and Families Wellbeing Service and Centres providing targeted support to families in need. New group to address the impact of the cost-of living crisis and supporting action plan. Household Support Fund offering vulnerable families help with fuel and food costs and supporting free meals and activities in the school holidays totalling £7.2m. Volunteer run community fridges. An active families programme to encourage physical activity in targeted groups.

Supporting young people with advice/guidance to help them into education, employment and training. Care leaver service with dedicated resources, financial advice and access to accommodation and new family worker to help those affected by substance misuse. Supported living services for working age adults, new supported living scheme for people with mental health needs and new mental health floating support service.

Safe and Well - new Community Safety Strategy, work to pursue community safety priorities and developing the response to tackling child criminal exploitation. Increasing service child protection training and a new approach to serious violence amongst young people. Disrupting the illegal supply of age restricted products and tackling scammers and rogue traders who exploit vulnerable

customers. Focusing on reducing first time entrants to the criminal justice system and supporting speed reduction measures in Leicestershire's villages.

Improving the quality of social work support to children in need of help and protection. Work through the Virtual School to support children in care and promote trauma informed practice and supporting foster carers to help almost 700 children in care in the County. Recommissioning domestic abuse and sexual violence services to support victims and investing £1.1m to provide accommodation and support for victims of domestic abuse. Completing 700 adult safeguarding enquiries.

A new Public Health Strategy and continuing to promote steps to prevent the spread of Covid-19, including vaccinations. A new workplace health offer and further roll out of the Making Every Contact Count programme. The Good Food Leicestershire service continues to work to tackle issues from food poverty to diet-related ill health and 150 new mothers benefitted from special healthy food boxes. A new healthy weight strategy and action plan was implemented and the Weight Management Service set up new face to face sessions and a free 12-week programme.

Opening a new supported living scheme for people with mental health support needs, offering awareness raising and support services to reduce suicides and targeted support to help children's emotional wellbeing. Tackling loneliness and social isolation through The Friendly Communities of Leicestershire initiative. Commissioning substance misuse treatment services more tailored to local residents' needs, enhancing drug treatment and harm reduction services and introducing a Fibrioscanner project for early identification to prevent liver disease.

Launched a new Care Technology Service in April 2022, meeting targets for new users and financial benefits. Agreed a refreshed Better Care Fund Plan worth approximately £65m to support joining up of health and care and help people to live independently. Invested £7.5m in 51 units of new residential accommodation including opening of the facility New Ashby Court, the third scheme opened that year. Working with adult care employers towards Care Charters, developing a new Carer's Strategy and commissioning a carer's support service.

Performance Data Analysis

20. 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 was third **best performing county** in England on a wide range of performance measures in 2020/21, despite being the second lowest funded. The final position for 2021/22 will be confirmed early next year.
21. Initial analysis of 2021/22 end-of-year data shows that of 202 performance metrics, 92 improved, 38 showed no real change and 72 worsened. Direction of travel cannot be determined for 19 indicators, due to the absence of previous data or changes to indicator definitions. Clearly the impact of the pandemic has

continued to be felt, affecting outcomes in a number of areas, 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.

Fair Funding

22. 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 £413m better off. London Boroughs are particularly prevalent at the top of the funding league table.
23. 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. The Council has in the past 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.
24. 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. These pressures have been further exacerbated by the financial and service implications arising from the demand impact of Covid-19 as well as demands arising from the cost-of-living crisis and inflation.
25. The service risks section of the Compendium highlights a number of areas of risk which are subject to additional monitoring.

Areas for Continued Focus

26. Given the significant financial challenges, demand, and delivery pressures facing the Council, areas for focus include: -
 - Continuing to implement the new Strategic Plan and Outcomes Framework, Medium Term Financial Strategy and updated Strategic Change Programme, including more digital delivery and the Workplace Strategy.
 - Taking forward actions arising from the Climate Emergency Declaration, the Environment Strategy and Net Zero commitment.
 - Continuing to maintain the Fair Funding Campaign, pursue savings initiatives and cost mitigation measures and seek more sustainable funding for local services.
 - 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, implementing a new Public Health and Health and Wellbeing Strategy, and public health preventative measures and pressing for an effective government solution to the challenges in Adult Social Care.
- Implementing economic recovery, growth and skills plans and measures to support those impacted by the cost-of-living crisis.
- 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 and tackling recruitment and retention pressures.

Views of the Scrutiny Commission

27. The draft Annual Delivery Report and Performance Compendium was considered by the Scrutiny Commission at its meeting on 9 November 2022. The Commission last year asked for a shorter report format focusing on County Council delivery and performance. Hence a more summarised document has been produced this year.
28. The Commission welcomed the new, more streamlined approach to the Delivery Report, focusing on key delivery items underpinning progress on the Council's Strategic Plan Outcomes. It was suggested that, once finalised, the report link could usefully be circulated to members to aid wider communications. The good work that had been carried out this year across the Council and with partner agencies to support delivery of the outcomes was also noted. It was also suggested it would be useful to include a few more metric results in the Delivery Report itself, to evidence some of the progress made.
29. The Commission noted the Core Spending Power league table, and that Leicestershire was still the lowest funded county and 3rd lowest funded authority, with considerable differentials between the lowest funded and those even in the middle of the funding table. The low funding was now impacting delivery, council tax rates and services across a range of areas, including service improvement in areas such as SEND, discussed earlier on the Commission agenda.
30. The significant impact of the Covid-19 pandemic on residents, communities and services was noted and that this had impacted outcomes and performance across a range of areas over the last 18 months. Some service outcomes had started to move back towards previous levels pre-Covid-19, but there were also a range of metrics which had been adversely affected this year, set out in the report. Trends, performance and service demand continued to be monitored closely. It was confirmed that the annual performance benchmarking analysis resulted in a Performance Improvement Action Plan which was put together with service departments and fed into annual service planning processes.

Equality and Human Rights Implications

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

Background Papers

Report to the Scrutiny Commission – 9 November 2022 - Annual Delivery Report and Performance Compendium 2022

<https://politics.leics.gov.uk/ieListDocuments.aspx?CIId=137&MIId=6872&Ver=4>

Leicestershire County Council Strategic Plan 2022-26

<https://www.leicestershire.gov.uk/about-the-council/council-plans/the-strategic-plan>

Local Government Association: LG Inform Benchmarking System

<https://lginform.local.gov.uk/>

Appendices

Appendix A - Draft Leicestershire County Council Annual Delivery Report 2022

Appendix B - Draft Performance Compendium 2022