



SCRUTINY COMMISSION – 8 NOVEMBER 2023

ANNUAL DELIVERY REPORT AND PERFORMANCE COMPENDIUM 2023

REPORT OF THE CHIEF EXECUTIVE

Purpose of the Report

1. The purpose of this report is to present the draft Annual Delivery Report and Performance Compendium for 2023 which set out the Council's progress and performance over the past year. The views of the Scrutiny Commission are sought on the Annual Delivery Report and Compendium, prior to submission to the Cabinet on 24 November and full County Council on 6 December 2023.

Policy Framework and Previous Decisions

2. The Annual Delivery Report and Performance Compendium 2023 form part of the County Council's Policy Framework. 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. The five priority outcome themes in the Council's 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 outlines recent progress in relation to the Outcomes Framework.

Background

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 Annual Delivery Report and Performance Compendium (appended to this report) covers County Council delivery over the last 12 months or so. It draws largely on 2021/22 comparative data, although older benchmarking and other data is included where more up-to-date information is not available. In some cases, the data is more recent.
7. The report is divided into two parts – the first part is narrative, summarising delivery and achievements over the last 12 months. It largely focuses on performance against County Council priorities as set out in the Council's Strategic Plan 2022-26 and other main service strategies.
8. The second part, the 'Performance Compendium', contains information on:
 - Current inequality in funding and the Council's Fair Funding campaign and proposals.
 - Comparative performance, cost and service benchmarking 2021/22 including lower comparative performing areas.
 - 2022/23 end of year performance figures, where available; and
 - Main corporate and service risks.
9. The reports are draft documents and will continue to be developed to incorporate points made by the Scrutiny Commission and Cabinet as well as the inclusion of any final national comparative data which becomes available prior to its consideration by the County Council on 6 December. The final Annual Delivery Report will be properly formatted and published online via the County Council website (<http://www.leics.gov.uk>).

Delivery Narrative

10. 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 going on to meet priority outcomes in these theme areas.
11. 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.

Performance Data Analysis

12. 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 the fifth best performing county in England on a wide range of performance measures in 2021/22, despite being the lowest funded. The final position for 2022/23 will be confirmed early next year.
13. The lower performing areas identified in the **2021/22** benchmarking are set out below, together with commentary and any recently published performance results.

Adult Social Care

- **Adult Social Care satisfaction and quality of life:** (7 indicators) indicators derived from nationally prescribed surveys of people in receipt of social care services. The results displayed relatively lower performance compared to other authorities for a number of indicators, although for some the spread of results is relatively narrow. Ease of finding information about support has increased from 56.8% (2021/22) to 61.8% in the latest survey. Satisfaction and quality of life are included as an ambition in the Vision and Strategy for the Adults and Communities Department 2020-24. Lower areas include quality of life, social contact, finding information, and feeling safe.
- **Care homes and home care organisations rated good/outstanding:** in October 2022, the result was 76.3%. In September 2023, this had improved to 79.6%. 125 of 157 care homes were rated good or outstanding, while 4 were rated inadequate. An action plan is in place to drive improvement across care homes, which are run independently.
- The % of **adults in contact with secondary mental health services who live independently** was 11%, while 3% were **in employment** in 2021/22. Leicestershire Partnership NHS Trust is the lead delivery partner. A new JSNA is underway focusing on mental health needs.
- **Carers inclusion in discussions** and carers ease of **finding information** – new figures will be updated next year for this area.

Children/Families

- Repeat **child protection plans** performance during 2022/23 has improved (23% of plans), which is similar to the latest national average. Timeliness of **review of child protection cases:** the result for 2022/23 is lower than the previous year.
- The % of 19-year-olds with a **SEND statement or EHCP that are qualified to Level 3. EHCPs** issued within 20 weeks has worsened in 2022/23. SEND improvement plans are progressing.
- **Early Years Providers** rated good/outstanding has improved to 96.4% in 2023.
- **Average A level points score** was below the counties average in 2022, which is unusual by historical standards. 2023 results are awaited.

- % of **offers made to applicants of first preference (secondary)**: the result is now better than the latest counties average.

Public Health

- **Low birth weight** of babies - this latest result (2021) was unusually high by historical standards.
- Health: self-reported wellbeing – % **adults with a high anxiety score** is derived from the Office for National Statistics Annual Population Survey. The result for 2021/22 was 23.6%. The spread of results for counties was from 18.4% to 26.6%. Mental health is a focus of the Health and Wellbeing Strategy.
- Excess under-75 **mortality in adults with severe mental illness**. A Suicide Group is in place as part of work on mental health.
- % **physically active adults**.

Environment/Waste

- The fraction of mortality attributable to **particulate air pollution**. New plans are expected from government on air quality and monitoring.
- The % of **municipal waste landfilled**. This has improved over the past 3 years with the negotiation of an increase in the amount of waste delivered to alternative disposal points and was 25.3% in 2021/22. The average for county councils was 7% in 2021/22.
- **EV Charging** devices per 100,000. There has been a 23% increase since the previous year. Charge points have been installed at the Council's Park and Ride sites.

Economy/Transport

- Relatively low results for perception of **ease of access** (all), perception of ease of access (no car) and number of passenger journeys on local **bus services** originating in the area per head. Bus usage has improved over the past year but remains well below pre-Covid levels. Satisfaction with local bus services has dropped between 2021 and 2022 reflecting some of the staffing challenges for bus companies post covid reopening.

Economy

- % **5-year survival** of new enterprises. In 2016 an unusually high number of new businesses were set up in Charnwood. Half of these were closed by the start of 2017, and this has resulted in a low score for Charnwood, impacting the Leicestershire result. It is thought that these were personal service companies linked to temporary employment.
- % employed in **knowledge-based industries**: this reflects the structure of the county's economy.

14. Looking at the 2020/21 benchmarking exercise 5 bottom quartile indicators have shown significant improvement in relative performance: -

- The % of **looked after children having dental checks** was an area of concern when Covid-19 impacted access to local dental services. There has since been improvement from 28% in 2020/21 to 86% in 2022/23. A wider Oral Health Needs Assessment is being considered this autumn.
- **% looked after children offending.**
- The % of children achieving a **good level of development aged 2-2.5 years** was 70.3%, in 2020/21 which was below the England average of 82.9%. This has improved considerably since then.
- Housing energy performance: the % of **existing domestic properties with Energy Performance Certificate rating C+** has now improved from 36.4% to 52.6% and is now in the top quartile. Support has been provided for applications to improve energy efficiency; however progress is largely dependent on government policy and funding.
- The **unemployment rate** improved from 5.4% last year to 2.3% in the most recent data and is now in the second quartile compared to other counties.

15. Initial analysis of **2022/23 end of year data** shows that of 191 performance metrics, 78 improved, 39 showed no real change and 74 worsened. Direction of travel cannot be determined for 24 indicators, due to the absence of previous data or changes to indicator definitions. Clearly the impact of the pandemic, cost of living crisis, low funding and demands on services 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.

16. Looking at the main differences year on year across the dashboards and indicators a number of things stand out:

- VFM - still comparative low spending across most service areas and most efficient, but good debt/reserves management (new Oflog indicators).
- Economy overview – some indicators have bounced back following the impact of Covid restrictions (Gross Value Added, productivity, new business creation, apprenticeships, unemployment, NEETs, pay, business survival).
- Economy worse for - economic perceptions, economic inactivity.
- Housing Delivery – good delivery for total and affordable homes, improved energy efficiency of existing homes. Slightly worse for homelessness though still better than national average.
- Transport – some decline in satisfaction but remain comparatively high, KSI road safety results worse and transport carbon emissions up, linked to increased network activity.
- Environment – fly tipping has reduced following higher rates during the pandemic period and tree planting targets exceeded.
- Health – positive reduction in females smoking at time of delivery and smoking prevalence in adult population. Though child excess weight, life expectancy and male healthy life expectancy have worsened.

- Children – issues with secondary absence rates, secondary schools good/outstanding reduced, EHCP timeliness/quality, average adoption times. Some operational children’s social care metrics due to demand pressures. Improvement in take up of free early education entitlements. Improvement in % achieving good level of development at age 5, although still below pre-Covid levels.
- Adult Care – perceptions through the adult user survey, permanent admissions for 18-64, social care staff turnover. Also increased service demand and service provision.
- Great communities - general drop in perception measures of willingness to work with others, volunteering, satisfaction with the area as a place to live and community cohesion. An improved picture on culture/heritage following reopening of facilities such as museums/libraries.
- Enablers – some decline in public perceptions probably due to impact of cost of living pressures reflecting national trends – trust/good job, customer service centre performance, complaints, health and safety incidents. Increased levels of people feeling well informed about the Council and increased number of visits to the Council Website. Improved Stonewall Workplace Equality Index Ranking
- Police and Crime – decline in performance (i.e., rising crime). Domestic abuse, domestic violence with injury, ASB perceptions, acquisitive crime, feeling safe.

Fair Funding

17. 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 the London Borough of Camden it would be £601m better off. London Boroughs are particularly prevalent at the top of the funding league table.
18. The list of authorities with serious financial issues continues to grow with some counties having moved towards providing services to the statutory minimum level. The Council has published a new simplified funding model for local government 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 by the Government, the model would unlock up to an extra £47m for Leicestershire.
19. 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 pressures arising from the cost-of-living crisis and inflation.

20. The **service risks** section of the Compendium highlights a number of the areas of risk, which are subject to additional monitoring. Some of the key service risks include: -

- The ability to deliver savings through service redesign/transformation to meet the MTFS, the impact of the living wage, legal challenges and demand/cost pressures in adults/children's social care.
- Service demand pressures and cost of living pressures.
- Child social care demand and placement cost pressures. SEND demand rises and improvement pressures. Unaccompanied asylum-seeking children.
- Sustainable and integrated health and care system with health/care system pressures, health backlogs and increased demand on care services. Maintaining a sustainable and quality social care market. Meeting increased social care demand and regulatory pressures through CQC.
- Delivering infrastructure. Operationalising the Freeport and maintaining an effective public transport network.
- Embedding the response to climate change in services. Ash dieback impact. Maintaining waste site services and future waste disposal guidance.
- Recruitment, retention and supporting staff health and wellbeing.
- Cyber security, Oracle/reporting and procurement robustness.

Areas for Continued Focus

21. Given the significant financial challenges, demand, and delivery pressures facing the Council, areas for focus include: -

- Continuing to implement the Strategic Plan and Outcomes Framework, Medium Term Financial Strategy and Strategic Change Programme, including more digital delivery and the Workplace Strategy.
- Continuing to maintain the Fair Funding Campaign, pursue savings initiatives and cost mitigation measures and seek more sustainable funding for local services.
- Progressing improvements to SEND services.
- Maintaining the good progress on health and care integration, implementing the 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.
- Continuing to implement economic recovery, growth and skills plans and measures to support the economy and those affected by the cost-of-living crisis.

- Taking forward actions arising from the Climate Emergency Declaration, the Environment Strategy and Net Zero commitment.
- Continuing partnership work with the Police and Crime Commissioner to pursue targeted crime areas such as domestic violence and acquisitive crime.
- Maintaining the focus on supporting workforce health and wellbeing and tackling recruitment and retention pressures.

Proposals/Options

22. It is intended that the Cabinet on 24 November will be asked to consider the following recommendations, that: -

- (a) The overall good progress in delivering on the Council's Strategic Priorities and Outcomes, as set out in the draft Annual Delivery Report 2023 be noted.
- (b) The Council's current low comparative funding, good but under pressure outcomes 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 to the County Council on 6 December 2023 for approval.

Resource Implications

23. The report has no direct resource implications.

Timetable for Decisions

24. The views of the Scrutiny Commission will be reported to the Cabinet on 24 November. The Annual Delivery Report is scheduled for consideration by the County Council at its meeting on 6 December 2023.

Background Papers

Leicestershire County Council Strategic Plan 2022-26

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

CIPFA/Institute for Government Performance Tracker 2022

<https://www.instituteforgovernment.org.uk/publications/performance-tracker-2022>

Local Government Association: LG Inform Benchmarking System

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

Circulation under the Local Issues Alert Procedure

None.

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Appendices

Appendix A – Summary of Delivery Highlights

Appendix B - Draft Leicestershire County Council Annual Delivery Report 2023

Appendix C - Draft Performance Compendium 2023

Equality Implications

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

Human Rights Implications

26. There are no specific human rights implications arising from the report.

Crime and Disorder Implications

27. The Report highlights progress against key community safety priorities and targets.

Environmental Impact

28. The Report includes progress against a number of environmental priority areas.

Partnership Working and associated issues

29. The Report considers progress in relation to the key priorities of key County partnerships.