



SCRUTINY COMMISSION – 6 NOVEMBER 2024

ANNUAL DELIVERY REPORT AND PERFORMANCE COMPENDIUM 2024

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 2024 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 22 November and full County Council on 4 December 2024.

Policy Framework and Previous Decisions

2. The Annual Delivery Report and Performance Compendium 2024 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 Delivery Report and Compendium outline 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 2022/23 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 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 work and proposals.
 - Comparative performance, cost and service benchmarking 2022/23 including lower comparative performing areas.
 - 2023/24 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 4 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 the local economy, transport and skills, health and wellbeing, adult social care, safer communities, children and families, clean and green environment and great communities, reflecting a range of work going on to meet priority outcomes in these theme areas. A shorter summary version of the delivery highlights is attached as Appendix A.
11. There remain good planning arrangements, financial management and governance in place supporting delivery of the Strategic Plan.

Performance Data Analysis

12. The Council's benchmarking shows that it was the sixth best performing county in England on a wide range of performance measures in 2022/23, despite being the lowest funded. A new cost-effectiveness analysis, included in the Compendium, suggests that the Council remains the most cost-effective county council in England. The final benchmarking position for 2023/24 will be confirmed early next year. There has been positive improvement on a range of outcome measures this year.
13. The lower performing areas identified in the **2022/23** benchmarking (from an overall 263 metrics) are set out below, together with commentary and any recently published performance results.

Adult Social Care

- **Adult Social Care satisfaction and quality of life:** (6 indicators derived from nationally prescribed surveys of people in receipt of social care services). The previous results displayed relatively lower performance compared to other authorities for a number of indicators, although for some the spread of results is relatively narrow. Overall social care related quality of life had a minor improvement in the most recent survey, as did overall satisfaction with care and support (up to 64.5%). Lower areas include social contact (which has improved from 38.7% to 44.9%), finding information (which has reduced slightly to 59.3% in the latest survey), and feeling safe.
- **Carers** quality of life (has improved slightly) and carers ease of finding information has improved from 49.4% to 56.1%.
- **Social care workforce turnover** has improved from 34.2% to 28.5% in recent results.
- **Service users receiving self-directed support** has now improved to 96.3%.

Children/Families

- **Timeliness of conferences and review** of child protection cases. Child protection case reviews improved to 83.4% in 2023/24.
- **Looked After Children Health checks** improved to 82.3% in 2023/4.
- The percentage of 19-year-olds with a **SEND** statement or EHCP that are qualified to Level 2/3. EHCPs issued within 20 weeks – slight recent improvement to 6%. SEND tribunal appeal rate. SEND improvement plans are progressing.
- **Average A level points score.** *Awaiting results.*
- The percentage of **secondary schools rated good or outstanding:** improvement to 77.8%. Single word rating system now ended.

Public Health

- **Child good level of development** at 2-2.5 years, and at 5 years old eligible for free school meals.
- Health: self-reported wellbeing – The percentage of **adults with a high anxiety score** is derived from the Office for National Statistics Annual Population Survey. The result for 2022/23 was 23.6%. 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.
- The percentage of **physically active adults** improved from 66.8% to 70.1% in 2023/24.

Environment/Waste

- **Air pollution – fine particulate matter**: slightly worse in 2023/24.
- The % of **municipal waste landfilled** has improved significantly over recent years with the negotiation of an increase in the amount of waste delivered to alternative disposal points and was down to 12.5% in 2023/24 from 23.7%.

Transport

- Relatively low results for number of passenger journeys on local **bus services** originating in the area per head. Bus usage and park and ride has improved over the past year. Satisfaction with local bus services remains around the same from 2022 to 2023 at 42%.

Economy and Housing

- The percentage of **3-year survival** of new enterprises. Reduction to 52.8% for the period 2019-22.
- New **affordable housing** per 10k population – reduction in 2023/24.

Police and Crime

- Offences against vehicles, other theft, public order, residential burglary. There has been a general improvement in recorded crime rates during the last year.

14. Initial analysis of **2023/24 end of year data** shows that of 200 outcome metrics, 105 improved, 32 showed no real change and 63 worsened. Direction of travel cannot be determined for 9 indicators, due to the absence of previous data or changes to indicator definitions. The legacy impact of the pandemic, cost of living issues, low funding and demands on services have 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.

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

- Value for money - still comparatively low spending across most service areas but most cost-effective. Good debt/reserves management (Oflog indicators). Significant inflation and demand pressures in various services. Improved public perception on value for money. Traded services, loss reduced.
- Economy overview – some indicators have bounced back following the cost of living/inflation and covid legacy (Gross Value Added, household income, NEETs, economic inactivity, employment, level 2 qualifications, pay). Improved tourism.
- Economy worse for – fuel poverty, claiming free school meals, business survival, out of work benefit claimants. Housing Delivery – slight reductions but overall good comparative positions. Affordable homes delivery bottom quartile. Slightly worse for homelessness and temporary accommodation though still better than the national average.
- Transport – some minor decline in survey satisfaction including highways condition and congestion but remains high compared to other local authorities, unclassified road maintenance down but still top quartile, increased bus journeys but still comparatively low. Park and ride journeys increasing. Bus satisfaction below average. Improved satisfaction with cycle routes and pavements/footpaths. KSI road safety results better but total casualties worse. Transport carbon emissions up, linked to increased network activity. New Local Transport Plan work progressing.
- Environment – recycling/composting improved and waste to landfill significantly better – though below average. Fly tipping has reduced and performs well. Tree planting and land management targets exceeded. EV chargers, EV car ownership and renewable energy generation increasing. River quality an issue for environment agency. Air pollution: 3 NO₂ exceedances in 2022. Fine particulate matter worse.
- Child: excess weight - better and comparatively good but still too high and child physical activity at 50.7%. Pupils with emotional needs slightly worse, take up of free early education low quartile. Schools: secondary persistent absence rate slight improvement but still 24.1%, EHCP timeliness and SEND improvement. Children's social care: excellent Ofsted inspection with a continued focus on some targeted operational children's social care metrics due to demand pressures. Slight reduction in adoptions performance.
- Supporting families claim affected by school attendance issues.
- Health – life expectancy and male healthy life expectancy have worsened. Health inequalities still a focus. Adult obesity slightly worse – 65.9%. Happiness down and some anxiety. Pressures still in the local health system and maybe more integration.

- Adult Care – slight increase in permanent admissions, finding information and feeling safe slightly lower, reablement good performance. Increase in safeguarding alerts. Staff turnover has improved. Management of service demand strong due to cost controls. Care and care home quality still an issue for focus. CQC Inspection due shortly.
- Great communities - general improvement in communities measures including volunteering, heritage/libraries usage, community satisfaction, getting on well and social contact. One community library less.
- Enablers – some improvement in public perceptions - trust/good job, well informed, treating people fairly, call answering. Health and safety incidents, apprentices, staff satisfaction better. Increase in complaints reported - new customer care/satisfaction strategy being developed. Gender pay gap improved though was bottom quartile. Equalities satisfaction good.
- Police and Crime – general improvement in performance (i.e. lower crime). Though residential burglary, business burglary, vehicle crime, and public order still lower quartiles.

Fair Funding

16. 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 £630m better off. London Boroughs are particularly prevalent at the top of the funding league table.
17. 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.
18. 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 increased service demand and cost increases including the legacy of the Covid-19 pandemic.
19. In October new research by the County Councils Network (CCN), PwC and Pixel Financial Management Ltd found a £54bn funding shortfall over the next 5 years and that 16 county and rural unitary authorities could be at risk of declaring effective bankruptcy in the next two years. Much of the shortfall comes from a forecast rise of £26bn in additional costs between

2022 and 2030. 83% of the forecast increase is from adult social care, children's services and home to school transport. The report asks for deep and fundamental reform in children's services, special educational needs (including transport) and adult social care.

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 including through service redesign/transformation to meet the Medium Term Financial Strategy (MTFS), unexpected loss of income, cost and demand pressures and legal challenges.
 - Service demand increases 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 and related developer contributions. Further operationalising the Freeport.
 - 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 and health and safety.
 - Cyber security 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.
 - Continuing to maintain awareness of Leicestershire's unfair funding position, pursue savings initiatives and cost mitigation measures and seek more sustainable funding for local services.
 - Progressing improvements to SEND services.
 - Maintaining 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, transport and skills plans and measures to grow and support the economy.
- Taking forward actions arising from the Environment Strategy and Net Zero Strategy.
- 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, equalities, recruitment issues, staff turnover and customer satisfaction/complaints.

Proposals/Options

22. It is intended that the Cabinet on 22 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 2024 be noted.
 - (b) The Council's current low comparative funding, good but under pressure performance 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 4 December 2024 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 22 November. The Annual Delivery Report is scheduled for consideration by the County Council at its meeting on 4 December 2024.

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 priorities of key County partnerships.

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 2023/4

<https://www.cipfa.org/policy-and-guidance/performance-tracker>

Local Government Association: LG Inform Benchmarking System

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

Financial Outlook for Councils Report CCN and PwC

<https://www.countycouncilsnetwork.org.uk/failure-to-address-54bn-funding-black-hole-could-leave-councils-as-little-more-than-care-authorities-by-the-end-of-decade/>

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None.

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Appendices

Appendix A - Summary of Delivery Highlights

Appendix B - Draft Leicestershire County Council Annual Delivery Report 2024

Appendix C - Draft Performance Compendium 2024