Agenda Item 8

Leicestershire County Council

SCRUTINY COMMISSION – 10 NOVEMBER 2025

ANNUAL DELIVERY REPORT AND PERFORMANCE COMPENDIUM 2025

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 2025 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 18 November and full County Council on 3 December 2025.

Policy Framework and Previous Decisions

2. The Annual Delivery Report and Performance Compendium 2025 form part of the County Council's Policy Framework. The documents provide performance data which will help the Council and its partners to ensure that services continue to meet standards, provide value for money and that outcomes are being achieved for local people.

3. The Annual Delivery Report and Compendium outline recent progress in relation to key Service Plan priorities and metrics. The Government has recently been consulting on a new national Local Government Outcomes Framework (LGOF) which it is currently aiming to introduce from April 2026.

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) cover County Council delivery over the last 12 months or so. It draws largely on 2023/24 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 in main service strategies.

8. The second part, the 'Performance Compendium', contains information on:

- Current inequality in funding.

- Comparative performance, cost and service benchmarking 2023/24 including lower comparative performing areas.

- 2024/25 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 3 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 good examples of delivery across the priority service areas. There remain good planning arrangements, financial management and governance in place supporting delivery of the priorities. A fundamental Efficiency Review and plans for Local Government Reorganisation to a single unitary County and Rutland are being progressed to help meet the significant financial challenges faced by the Council.

Performance Data Analysis

11. The Council's benchmarking shows that it was the fifth best performing county in England on a wide range of performance measures in 2023/24, despite being the lowest funded. The final benchmarking position for 2024/25 will be confirmed early next year. There has though been positive improvement on a range of outcome measures this year.

12. The lower performing areas identified in the **2023/24** benchmarking (from an overall 263 metrics) are set out below.

Adult Social Care

- Adult Social Care satisfaction and quality of life: (5 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.
- Carers ease of finding information about services.
- % of Care Homes rated good or outstanding.
- Wider Social care workforce turnover.

Children and Families

- Timeliness of conferences and review of child protection cases.
- Looked After Children Health checks.
- Child protection plans lasting 2 years or more.
- Re-referrals to children's social care.
- Education, Health and Care Plans issued within 20 weeks – *though recent improvements have been made. SEND improvement plans are also progressing.*

Public and Child Health

- Air Pollution – concentration and attributable mortality
- HIV late diagnosis
- Child good level of development at 2-2.5 years, and at 5 years old eligible for free school meals.
- The percentage of physically active children and young people.
- Infant mortality rate

Environment and Waste

- The % of **municipal waste landfilled –** *though this has improved significantly over recent years with the negotiation of an increase in the amount of waste delivered to alternative disposal points.*

Transport and Highways

- 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.*

Economy – *Context*

- The percentage of **3-year survival** of new enterprises.
- % of employees in knowledge-based industries

13. Looking back at last years benchmarking exercise the following bottom quartile indicators have shown a significant improvement in performance.

Adult Social Care

- % of people using social care who receive self-directed support
- % of carers who report that they have been included or consulted in discussion about the person they care for
- % of people who use services who feel safe

Children's Social Care

- % of young people receiving a conviction in court who are sentenced to custody

Health – Child

- Low birth weight of term babies

SEND

- % of 19-year-olds qualified to Level 2 inc. Eng. & Maths - with statement/EHCP
- % of 19-year-olds qualified to Level 3 - with statement/EHCP SEND tribunal appeal rate

Health – Adult

- % of physically active adults

14. Initial analysis of **2024/25 end of year data** shows that of 160 outcome metrics, 73 improved, 34 showed no real change and 53 worsened. Direction of travel cannot be determined for 5 indicators, due to the absence of previous data or changes to indicator definitions. The impact of cost-of-living issues, low funding and service demand pressures 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.

Service Risks

15. 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 to meet the Medium-Term Financial Strategy (MTFS), unexpected loss of income, and/or failure to control cost and demand pressures.

   Children and Families
   - **Child Social Care** - if the number and type of **high-cost social care placements** increases then there may be significant pressures on the

Children's Social Care placement budget, which funds the care of vulnerable children.

- **SEN D** - If **demand** for and the complexity of Education Health and Care Plans (EHCP) continues to rise, and corrective action is not taken, there is a risk that the high needs deficit will continue to increase and create a significant burden on the Council.

- If **Special Educational Needs Assessments** are delayed and Education, Health and Care Plans are not issued on time with appropriate school placements for children identified, Transport Operations could be failing to provide a timely statutory service.

- If current **demand for EHC Needs Assessment** and updating of EHCPs after annual review exceeds available capacity of staff within SEND Services, then this leaves the Council vulnerable to complaints of maladministration with regards to statutory timescales.

- If the immigration status of **refugees and asylum seekers** (including UASC) who arrive in the County is not resolved, then the Council will have to meet additional long-term funding in relation to its housing and care duties, with the biggest cost and staffing impacts on C and FS.

- If **suitable placements** are unavailable for **UASC** (unaccompanied asylum-seeking children) who arrive in the County, then there will be significant pressures meeting statutory duties for UASC as well as financial pressures in meeting their complex needs.

Adult Social Care
- If health and care partners fail to work together to address the impact of **system pressures** effectively, there is a risk of an unsustainable demand for care services and a risk to the quality of those services to meet need.
- If the Department fails to develop and maintain a stable, sustainable, and quality **social care market** to work with, then it may be unable to meet its statutory responsibilities.
- If there is a continuing **increase in demand** for assessments (care needs and financial) then it may not be met by existing capacity.

Environment
- If the **Ash dieback** disease causes shedding branches or falling trees, then there is a possible risk to life and disruption to the transport network.

- Waste - If there was a major issue which results in unplanned **waste site closure** (e.g., fire) then the Council may be unable to hold or dispose of waste.

- If there are significant changes/clarifications to legislation, policy or guidance then performance could be impacted and cost increases.

- If services do not take into account current and future environmental changes, such as more flooding, in their planning, they may be unable to respond adequately to the predicted impacts, leading to significantly

higher financial implications and service disruption, as well as making future adaptation more costly.

Corporate Services

- **Cyber Security** - If the council does not effectively manage its exposure to cyber risk, then there is a substantial risk of a successful cyber-attack which could severely damage the Council's reputation and affect service delivery which might result in significant costs.

- If there is a failure to restore services or maintain services in a **major disruption** e.g. pandemic, power outage, cyber incident, etc then the Council is at risk of not being able to deliver identified critical services.

- **Sickness** – If sickness absence is not effectively managed then staff costs, service delivery and staff wellbeing will be impacted.

- **Recruitment** - If departments are unable to promptly recruit and retain staff with the right skills and values and in the numbers required to fill the roles needed, then the required/expected level and standard of service may not be delivered, and some services will be over reliant on the use of agency staff resulting in budget overspends and lower service delivery.

Economy

- **Infrastructure** – If developer contributions are not secured, are not sufficient to cover costs or are not spent efficiently then there could be a failure to pay for roads, schools and other essential infrastructure.

- If the East Midlands Gateway 2 application is approved without mitigating infrastructure, then this could impact the Council's services.

<u>Areas for Continued Focus</u>

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

- Continuing to maintain awareness of Leicestershire's unfair funding position, pursue a significant Budget and Council Efficiency Review and savings initiatives and cost mitigation measures and seek more sustainable funding for local services.

- Continuing progress on the Council's preferred option for Local Government Reorganisation which will deliver significant efficiency savings and wider benefits.

- Continuing to progress improvements to SEND (Special Educational Needs and Disabilities) services and targeted improvements to Children's Social Care.

- Implementing the Public Health Strategy and a refreshed Health and Wellbeing Strategy and supporting public health services.

- Pressing for an effective government solution to the challenges in Adult Social Care and implementing the Improvement Plan in response to the CQC Inspection of Leicestershire Adult Social Care services.

- Implementing a refreshed Local Transport Plan (LTP 4), continued public transport/bus improvements and measures to help support and grow the economy.

- Maintaining the focus on ensuring good local public services and customer satisfaction.

Proposals/Options

17. It is intended that the Cabinet on 18 November will be asked to consider the following recommendations, that: -

(a) The progress in delivering on the Council's service priorities as set out in the draft Annual Delivery Report 2025 be noted.

(b) The Council's low comparative funding, good performance outcomes position, and the 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, improvement and cost pressures, the Council continues to press its case for a fairer funding settlement, progresses plans for a fundamental Efficiency Review and its preference to secure c£40m of efficiency savings and wider benefits from a new unitary authority for Leicestershire and Rutland.

(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 3 December 2025 for approval.

Resource Implications

18. The report has no direct resource implications.

Timetable for Decisions

19. The views of the Scrutiny Commission will be reported to the Cabinet on 18 November. The Annual Delivery Report is scheduled for consideration by the County Council at its meeting on 3 December 2025.

Background Papers

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

Institute for Government - Public Services Performance Tracker 2025 - https://www.instituteforgovernment.org.uk/publication/performance-tracker-2025/local-services/overview

Draft Local Government Outcomes Framework https://www.gov.uk/government/publications/local-government-outcomes-framework-call-for-feedback

Circulation under the Local Issues Alert Procedure

None.

Officers to Contact

Zafar Saleem – Assistant Chief Executive.
Tel: 0116 305 4952
Email: Zafar.Saleem@leics.gov.uk

Andy Brown and Richard Wilding, Business Intelligence Team Leaders, Chief Executive's Dept,
Tel: 0116 305 6096
Email: andy.brown@leics.gov.uk; Richard.wilding@leics.gov.uk;

Lydia Mitchell, Policy Officer, Chief Executive's Department.
Tel: 0116 305 4120
Email: Lydia.mitchell@leics.gov.uk

Appendices

Appendix A - Draft Leicestershire County Council Annual Delivery Report 2025
Appendix B - Draft Performance Compendium 2025

Equality Implications

20. 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

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

Crime and Disorder Implications

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

Environmental Impact

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

Partnership Working and Associated Issues

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

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