



Committee and Date

Transformation & Improvement Scrutiny
15th November 2023

Cabinet
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Item

Public



Performance Monitoring Report Quarter 2 2023/24

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Cabinet Member (Portfolio Holder):	Cllr Robert Macey, Culture & Digital		

1. Synopsis

The Shropshire Plan clarifies our vision and priorities, aligning our resources to deliver positive outcomes for our people, businesses and communities. Delivery of our outcomes is measured through the developing Performance Management Framework, demonstrating progress to date.

2. Executive Summary

Overview

The Shropshire Plan (TSP) was created to clarify Shropshire Council's vision, priorities and Strategic Objectives. These objectives reflect the outcomes we aim to achieve within our available financial envelope. We measure the achievement of TSP by monitoring our performance (using Key Performance Indicators (KPIs) to help measure, drive and understand delivery of our Strategic Objectives) and managing our overall financial position (ultimately delivering our outcomes while remaining within our agreed financial envelope).

The current year, 2023/24, is the year we are prioritising financial management with the aim to create a sustainable financial future. Over this year we need to closely monitor our finances and take decisive and corrective action against any deviation from our approved Medium Term Financial Strategy (MTFS). We are seeking to rebase our

budgets, in line with the outcomes defined in TSP, to secure a modern, efficient, and sustainable base for the Council finances across the 5-year period of the MTFs. This approach is aligned to the recommendations of the LGA peer review and is comparable with the best approaches seen in local government. We will need to make the adjustments this year, but Shropshire residents will reap the rewards for many years to come, through improved financial stability. Against this backdrop we are seeking to maintain our performance and improve it where our financial position allows. Our plans will then expand into the next financial year with a focus on increased efficiency and improved outcomes, redefining the way we deliver our services to optimise delivery of our vision. Beyond that, our emerging intent is to grow our potential, seeking continuous improvement, greater resilience and increased efficiency in all aspects of our work.

Summary

- 2.1 While the focus of the Council in 2023/24 is necessarily directed at the delivery of a balanced budget, this remains only one of The Shropshire Plan outputs we intend to deliver. Our new Performance Management Framework has been reviewed and strengthened to align with our strategic objectives to become evidence led performance managed council.
- 2.2 Development of our KPIs will continue throughout the year with Portfolio Holders, Executive Directors and Assistant Directors identified for each indicator. Targets, tolerances and benchmarks will be clarified over the coming months, where possible, with regularly updated monitoring information published via the performance webpage at - Performance | Shropshire Council. Online performance reporting will be the main source of performance information enabling greater insight and scrutiny of the Councils performance and delivery of its outcomes as set out in TSP.
- 2.3 Through engagement across all Directorates the PMF has been launched with the focus on using data to inform decisions and actions particularly where performance may not be meeting targets and expectations. As part of the necessary arrangements for delivering TSP, the Council has reviewed and updated its approaches to both performance and financial monitoring. Both areas are now more pro-actively informed by timely activity data and are available to a range of officers to help guide decision making. Interactive dashboards using 'PowerBI' are being developed which will show a summary of KPIs for each Healthy priority through to agreed strategic objectives. It will then be possible to drill down into more detailed information for each KPI including status which is RAG (red, amber, green) rated, trend information and benchmarking where available against England and nearest statistical neighbours.
- 2.4 The Q2 Finance report (elsewhere on this agenda) sets out the financial envelope of the Council and how spending plans and patterns are being managed to deliver a balanced budget.
- 2.5 This Q2 Performance report complements the Finance report but provides a different perspective. We may therefore find that the position on KPIs is favourable, but that the finance position is adverse because the activity levels (the cost drivers) are higher than anticipated.

- 2.6 As part of our new approach feedback on the design and usability of the new report and performance webpage is welcomed. A feedback form will be available for questions and queries, and this will be reviewed with responses provided and published where appropriate alongside the dashboard.

Key indicators and Context

- 2.7 The Q2 performance report is written as an exception report with all key performance indicators being provided in the dashboard which should be viewed in conjunction with this report.
- 2.8 The Q2 report is not complete with all the agreed performance indicators due to the time taken to implement the new approach and the focus on getting it right. Work will continue to move towards a complete PMF set of indicators and progress will be reported at Q3. Due to the change of approach, it should be noted that some of the performance indicators are baseline figures from which targets will be established and then performance monitored against this.
- 2.9 It should be noted that the approach being taken by Shropshire Council is progressive and in advance of many other authorities and places us in a strong position to continually improve our approach to managing performance and ultimately delivering our outcomes as set out in TSP.

3. Recommendations

Transformation & Improvement Scrutiny Committee

- 3.1. It is recommended that Members of the Transformation & Improvement Scrutiny Committee:
- 3.1.1. Review and consider performance dashboard information alongside this exception report.
 - 3.1.2. Note progress to date in achieving the outcomes of The Shropshire Plan (TSP) and identify any areas for future consideration by the committee.

Cabinet

- 3.2. It is recommended that Cabinet Members:
- 3.2.1. Review and consider performance dashboard information alongside this exception report.
 - 3.2.2. Note progress to date in achieving the outcomes of The Shropshire Plan (TSP) and comment as appropriate.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. The management of the Council's Performance Management Framework is a key process in ensuring strategic risks are mitigated and the Council can carry out business as intended and planned for within The Shropshire Plan.
- 4.2. The management of key performance indicators is a key process to monitoring progress in the delivery of outcomes as set out in The Shropshire Plan. This provides insight into whether corrective action is required to bring performance back on track.
- 4.3. The performance reports and dashboards provide a high-level lens into the performance of Shropshire Council allowing for further targeted detail analysis to support the mitigation of any risks identified.
- 4.4. Overall, the financial outlook for Shropshire Council is positive, but the levels of risk and challenge are beyond anything previously faced by the Council. In that context, investment of lead officer time in a council-wide leadership programme (Getting Leadership Right) and engagement with an external partner (PwC) are part of the steps taken to rapidly expand capacity and ability to meet the challenges already identified.
- 4.5. The dashboards include instructions for use and a feedback form is available for completion should there be questions or feedback. Members will be shown how to use the dashboards.
- 4.6. Monitoring will be in place using the dashboards so any issues can be resolved in a timely manner.

5. Financial Implications

- 5.1. The performance report provides progress on key activity targets which will have correlation to financial performance.
- 5.2. It should be noted that positive improvement on activity may not necessarily correspond to financial improvement, and this should be drawn out in the narrative of the financial and performance reports.

6. Climate Change Appraisal

- 6.1. The performance report includes KPI's for Healthy Environment with measures for monitoring Shropshire Council's direction of progress on climate change.

- 6.2. The following key performance indicators related to climate change are now included:
- HEn8 Net carbon emissions – tonnes of co2 per person
 - HEn9a Increasing the generation of renewable energy by Shropshire Council (Solar)
 - HEn11 % of streetlights converted to LED
 - HEn14 number of electric vehicles charging points installed.

Further indicators will be made available as new data becomes available. This will support a positive outcome.

7. Background

- 7.1. Quarter 2 – as of 25th October 2023 a total of 70 Key Performance Indicators have been added to the Shropshire Plan report. Additional information will be added in the period between writing of this report and its presentation to members.
- 7.2. Information on each of these indicators can be found via the performance webpage at - [Performance | Shropshire Council](#)
- 7.3. The online performance report is now the main source of performance information. This report highlights any exceptions or downturns and explains the causal issues and any corrective actions the service is taking.
- 7.4. In Q2 there are 3 exceptions that have been raised and these are reported in the additional information section below.

8. Additional Information

- 8.1. There are 3 exceptions to report this quarter. Historical data has been added, which includes several additional indicators relating to systemwide long term public health prevention outcome measures which are flagging as red HP5,11,12,15 an education indicatorHEc19 and an environmental indicator HEn8. These indicators are mainly annual measures and reported in arrears and when new information is published the indicators and comments will be updated. If future exceptions occur, they will be reported to cabinet and relevant scrutiny in the corresponding quarterly report.
- 8.2. HO6 - At Quarter 2 (April – September), the Council is reporting a BAU ('business as usual') forecast overspend of £32.393m. This forecast assumes that all current plans are delivered, and that no further plans are put into place (hence, BAU). The £32.393m forecast overspend can be summarised as:
- £13.381m of spending reduction targets not yet achieved as at Quarter 2.
 - £9.701m budget pressures within Adult Social Care due to higher demand pressure and complexity than anticipated.
 - £12.977m budget pressures within Children's Social Care due to higher demand pressure than anticipated

8.3. HO18 - The % of staff who have completed their cyber training certificate within the required timescales is currently 83.9%. Cyber security training is a mandatory requirement to help protect data assets of the Council. Whilst some training may be delayed due to sickness and staff turnover the current level is below the expected standard.

The IT team are reviewing the reasons for staff failing to complete training and will be implementing corrective actions, including prevention of IT access to those who have not completed their training.

8.4. HO11 - There has been an increase in staff turnover from last quarter. This is largely attributable to seasonal resignations within Shire Services catering service, which is more likely to see leavers during this quarter at the end of the school year. However there has been a significant reduction in turnover when compared to the same period last year.

8.5. HP33a - Update on residential admissions. In the Q1 report the admissions of people aged 18 – 64 admitted to long-term residential or nursing care was reported as an exception. During quarter 2 the numbers stabilised and are now back in line with the expected profile.

9. Conclusions

- 9.1. The development of the new reporting sees a substantive step change in the reporting of performance with more emphasis on target delivery and comparator information.
- 9.2. The key performance pressure remains the delivery of financial savings which are detailed in the financial report.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Local Member: All

Appendices