



Committee and Date

Council
18th July 2024

Item

Public



Combined Annual Report – Performance Management Scrutiny Committee 2022/23 and Transformation and Improvement Overview and Scrutiny 2023/24

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1. Synopsis

Performance Management Scrutiny Committee, in 2022/23 and Transformation and Improvement Overview and Scrutiny Committee 2023/24, looked at a range of key topics during each year, which are summarised in this paper.

2. Executive Summary

The Shropshire Plan includes ‘Healthy Organisation’ as a priority outcome and the Strategic Objective that “We will ensure councillors are supported to advocate for their constituents but to also be ambassadors for the council”.

Overview and Scrutiny is a key part of the governance of the council, where councillors who are not on Cabinet can hold decision makers to account and make evidence recommendations to inform and influence the development of policy.

Following a Scrutiny Improvement Review commissioned by the Council and carried out by the Centre for Governance and Scrutiny in the Autumn/Winter 2022/23, the Council reviewed its structures and introduced a new approach to Overview and Scrutiny for 2023/24. The Transformation and Improvement Overview and Scrutiny Committee (T&I OSC) replaced the previous Performance Management Scrutiny Committee.

This report shares the combined annual report for the Performance Management Scrutiny Committee (2022/23) and the Transformation and Improvement Overview and Scrutiny Committee (2023/24).

3. Recommendations

Members are asked to note and comment on the combined annual report 2022/23 and 2023/24 for the Performance Management Scrutiny Committee and the Transformation and Improvement Overview and Scrutiny Committee.

Report

4. Risk Assessment and Opportunities Appraisal

- 5.
- 4.1 Effective Overview and Scrutiny (O&S) is a feature of the Council's governance arrangements, particularly where the Council is operating executive arrangements. There are a range of factors that could result in risks to Council of not doing O&S effectively.
- Failure to challenge and hold decision makers to account.
 - Failure to link O&S work to the delivery of the council's priorities and risk management – failure to demonstrate added value
 - Failure to carry out thorough and appropriate research to make evidence-based recommendations.
 - Failure to engage partners and providers.
 - Failure to ensure that structures and models of operation are fit for purpose and match ambition and available resources.
 - Failure to ensure that O&S can operate as the voice of communities.
 - Failure to draw on member knowledge and experience to inform policy development.
- 4.2 To mitigate, tolerate or eradicate these risks, enablers for effective scrutiny include:
- Operating in an apolitical manner.
 - Clarity of vision and purpose
 - Overview and Scrutiny support availability, capability and capacity
 - Effective engagement and commitment by Members and officers at all levels, including Cabinet, Opposition Leaders, Scrutiny Chairs and Senior Officers who play a central role in setting the tone and direction
 - Robust work programming and prioritisation of topics with clear objectives and expected impacts

- Access to and availability of robust data and intelligence
 - Good relationship with partners and providers
- 4.3 Overview and Scrutiny Committees have remits that cover the breath of the work of the Council, as well as looking externally including Health Services and provision through Health Overview and Scrutiny requirements.
- 4.4 Topics for Overview and Scrutiny Committee work programmes are identified based on a number of different considerations including an understanding of risks to the Council, employees, people who use services, to the services themselves, and to communities. These may be identified through reviewing performance information and comparing with others, changes to national and local policies, budget information, feedback from communities and customers/service users, feedback from partners/providers, and reports from regulators.
- 4.5 During Overview and Scrutiny work evidence will be gathered that builds on this understanding to inform the development of conclusions and evidence-based recommendations.
- 4.6 The use of external peer challenge such as that offered by the Centre for Governance and Scrutiny provides objective review and feedback about opportunities to develop the effectiveness and impact of Overview and Scrutiny. The Council carries out a regular review of Overview and Scrutiny to collect feedback from Members and Officers on what is going well and where there are opportunities for continuous improvement.

5 Financial Implications

- 5.1 There are no direct financial implications associated with the annual statements of the Council's Overview and Scrutiny Committees set out in this report.
- 5.2 Effective Overview and Scrutiny produces evidence-based recommendations. These can be informed by learning from best practice and an understanding of "what works" at other similar local authorities, as well as developing a robust picture of the situation locally based on data, intelligence and insights. Where adopted recommendations can help with the efficiency and effectiveness of services that can be delivered differently, as well as informing the development of current and new policies.

6 Climate Change Appraisal

- 6.1 Overview and Scrutiny Committee work programmes directly link to the Shropshire Plan priorities, including Healthy Environment which is built around climate change and carbon reduction, and the natural and historic environment.

7 Performance Management Scrutiny Committee 2022/23

- 7.1 During 2022/23 the committee maintained its the regular focus on Council's corporate reporting, exploring issues with Officers and the Portfolio holder. They also considered a number of 'Green Papers' where topics were brought to the

committee to be considered whilst plans were developed and therefore before decisions were taken.

Performance Management

- 7.2 The committee maintained strong focus on the performance of the Council reported through the quarterly corporate performance reporting, and promoted the need for a move to focusing on measures that reflect progress in delivering the priorities in the Shropshire Plan. They received confirmation that work was underway with the Directorate Management Teams to establish the best measures to do this.
- 7.3 Members of the committee directly informed the development of the measures to be included in the new Shropshire Plan performance dashboards to ensure that they reflect the changes to service delivery arising from the transformation of the Council. They also highlighted the importance of the developing reporting for measure that were of relevance for Members when they were engaging with people in their Electoral divisions, about matters that resonate on the ground in communities. These were not the same measures as those reported in the performance reports, but were important to Members.
- 7.4 The committee also confirmed that they supported the continued use of exception reporting to highlight particular issues they should focus on, it was reinforced that they could access the performance portal at any time, and did not need to wait for a report or committee meeting to suggest an area for the appropriate scrutiny committee to consider including in their work programme.

Green papers - Pre-decision Scrutiny

ICT and Digital Strategy

- 7.5 Members considered the Council's 'Digital First' approach and the key factors involved in adopting it. Following questions from the Committee it was acknowledged that a digital approach would not be suitable for all and therefore traditional methods were not being precluded as a potential delivery channel.
- 7.6 They were particularly concerned to emphasise the importance of safeguarding the most vulnerable and retaining full access to the council where digital access was not available whether through individual circumstance or geography.
- 7.7 The committee asked further questions around equality and explored security issues related to the use of the Cloud. In terms of equality, they highlighted that the report setting out the approach would be strengthened by including an "equality" heading. They were also advised that back-up systems were in place and that an audit reviews of the Cloud system were carried out.
- 7.8 The committee confirmed that the following should be added to the considerations for a digital first approach:
- There must be safeguards in place to protect the most vulnerable.
 - There needs to be a better uptake of broadband and improved phone coverage.
 - It is important that committee meetings continue to be held in public and that the democratic process is not eroded.

- 7.9 With these in mind they felt that the Digital First approach could be recommended to Council for delivering and commissioning services now and in the future.

Review of charging policy for second homes and empty properties

- 7.10 The committee learned about the powers Shropshire Council had with regards to increasing council tax on second homes and long-term empty properties and the further charging options which could be implemented from 1 April 2024.
- 7.11 Members were concerned about the effects the council tax premium could have on first time buyers. This included querying whether there should be some leniency on the policy for first time buyers with a local connection if the property required work before it became habitable. They also highlighted that currently searches during a property purchase did not show whether the property was subject to the premium. Members expressed the importance of ensuring that first time buyers were supported as much as possible to bring empty properties back into use; but acknowledged that any such support would need further investigation. On being informed about the appeals process that was in place, Members shared concerns that first time buyers may not necessarily be aware that they could appeal. It was asked that this information was included as part of the council tax bill.
- 7.12 Members expressed a desire to see as many empty properties brought back into residential use as possible and asked about the number of appeals that are received, how many succeed, how many are refused, and how many progress to a General Appeals Panel.
- 7.13 The committee also enquired whether the number of properties that are registered for business rates due to being holiday lets was known. They highlighted that they may be under threshold and therefore apply for business rate relief. They were informed that this would require further resource to investigate.
- 7.14 They suggested that a six-month amnesty on charges could incentivise people to take on empty properties before they are required to pay the premium, rather than be faced with a charge on a property that they did not know about prior to purchase. Following the committee's consideration it was confirmed that the process for appeals and an exception process for first time buyers with a local connection be investigated, acknowledging and understanding any associated legalities.

Budget Consultation

- 7.15 To help shape the approach for improved budget consultation the committee considered proposals. Members commented on the feedback on the last budget consultation, highlighting the nature and framing of some of the questions, and the ease of access to the budget consultation itself.
- 7.16 Members reviewed the plans to include more information in future whilst recognising the need to strike a balance between too much detail and not enough and discussed the intention to have more structured questions and less open text. A new approach to budget consultation was used for the 2024/25 to 2028/29 Financial Strategy.

Aligning customer services

- 7.17 The committee received proposals for a period of consultation with Shropshire residents on a reduction in customer service centre opening times to around 30 a week for more generalist non-emergency service requests. They were informed that the opening times of other more complex council services would not change.
- 7.18 The Members took account of plans to move to more digital services for customers, helping to speed up access to responses and information, and allowing the repurposing of customer service adviser capacity to be freed up to support more preventative outbound customer contact. In doing this they learn that estimated cost of a telephone call was nearly £3 compared to 15 pence per online transaction.
- 7.19 Some of the key points and suggestions that the Members asked included:
- how the consultation would work for people who were not IT literate, or did not wish to use digital equipment or could not afford it;
 - whether the consultation could involve an explanation being provided on Radio Shropshire;
 - how individuals were identified to receive wellbeing calls; and
 - a request for clarification was made of how a saving would be achieved without making redundancies and by shifting staff capacity to prevention.
- 7.20 In terms of how the consultation would be carried out Members were informed that a range of methodologies would be used. These included raising awareness of the consultation in writing and during calls to the customer service centre, through hard copies at Shropshire Local and at libraries, through published and broadcast media, and through social task force representative groups and Shropshire Association of Local Councils. It was agreed that there was an important role for local members in disseminating the consultation and encouraging people to respond. It was also acknowledged that digital solutions were not for everyone and access by telephone would still be available for those who needed it.
- 7.21 The Portfolio Holder was asked to take the comments of the committee into consideration.

Children's Social Care Performance

- 7.22 As well as considering the 1/4ly performance reporting the committee undertook a more detailed look at Children's Social Care performance to understand what was contributing to rising demand as well as the outcomes being achieved for children and young people.
- 7.23 Members explored the different factors which had contributed to performance locally and were also informed of how the council benchmarked against others. This included the reasons that Shropshire was an outlier compared to statistical neighbours, when it came to numbers of Looked After Children. Benchmarking with other similar LAs helped to understand what has and is happening in their areas and if they are seeing different results and why.
- 7.24 The committee considered the increasing numbers of unaccompanied asylum seekers, that the numbers leaving care had slowed due to delays in court proceedings as a consequence of the pandemic; and a that a larger cohort of under

5 year olds were becoming known to the service for the first time who were at a significant level of harm, injuries or neglect.

- 7.25 They heard more about the impact of the pandemic e.g. in the closure of a range of different services or the redeployment of staff that had close contact with children, including those provided by the NHS, resulted in some children missing opportunities to enter the child protection process at an earlier stage. Member heard how learning was identified and fed into the Safeguarding Board.
- 7.26 Members were informed of confidence that there had been no change to Council's thresholds over this time.
- 7.27 The committee also considered the actions and initiatives being taken to inform service developments which included:
- Data sharing across partner agencies
 - Audits of child journeys by team managers, service managers and Assistant Directors as well as thematic audits where there is a recurring theme.
 - The development of predictive analytics to help to proactively identify the best lead profession to work with a family that might need support at an earlier stage.
 - Promoting that the earliest possible help be offered to children and families enabled by continuing to support partners to help their understanding of thresholds and responsibilities.
- 7.28 Following this focused scrutiny the committee identified the following areas of recommendation:
- That there should be work with ICS to develop indicators to help identify how the system was performing and where there may be blockages or gaps in provision.
 - That there should be a continued focus on children's mental health performance within the system and through the relevant Overview and Scrutiny Committee.
 - That Overview and Scrutiny has a view of benchmarking data with other similar Local Authorities to help identify and maintain a focus on the areas of service that are outliers.
 - That Overview and Scrutiny should have a future focus on the impact of resetting Early Help and other initiatives for Children Looked After such as Stepping Stones.

8 Transformation and improvement Overview and Scrutiny Committee 2023/24

- 8.1 The Transformation and Improvement Overview and Scrutiny Committee (T&I OSC) has a remit that includes corporate services and functions including financial and performance management and the delivery of the Council's Transformation Programme. The following section provides a summary of key topics and the work done by the committee between July 2023 and March 2024.

Medium Term Financial Strategy (MTFS) Escalation

- 8.2 The committee looked at the delivery of the MTFS and Financial Management, particularly in light of the challenges such as the wider economic environment and the local need for a budgetary refocus to secure financial sustainability.

- 8.3 They were asked to provide feedback on the arrangements in place and further measures that might be useful. In doing so they heard about the control environment including visibility of the financial position and accountability for budget holders, frequency of reporting and monitoring, and Member oversight. Members considered the different quarterly activities taking place, the related triggers for escalation and what the response to the escalation would be.
- 8.4 In order to gain a better understanding the committee asked how they would be able to gain an insight into proposals for changes to services and related changes to the risk environment. In doing this they raised the following questions:
- Why did audit and scrutiny committees see financial and performance reports after Cabinet?
 - What were the risks around rising interest rates and why was this not recognised in the budget?
 - What was the impact of the increasing level of demand for social care and availability of the social care work force?
 - Why were the in-year available reserves shown as at £37m when the outturn report contained a figure of just £7.1m to be taken forward into the general fund balance?
 - Why had figures from period 1 2023/24 not been made available to members, and when would figures from periods 2 and 3 be made available? Committee members emphasised that they required evidence to reassure them that risks were being mitigated as early as possible.
 - Were officers satisfied with the way the new financial monitoring system was bedding in?
 - Could future presentations referring to previous financial reports, include links to the relevant parts of these reports to improve accessibility and make better use of time.
- 8.5 Following their discussions and debate it was confirmed that the T&I Overview and Scrutiny Committees would in future be receiving financial and performance reports ahead of Cabinet, and that risks related to inflation and rising interest rates had been identified in the MTFs as well as the Capital Strategy and Treasury Management Strategy.
- 8.6 The Committee also agreed that an Overview and Scrutiny investigation should be considered with a remit covering the particular challenges around social care and partnership working.

1/4ly Corporate Reporting (Finance and Performance)

- 8.7 Over the year the committee maintained its regular focus on performance against the Shropshire Plan and the progress in managing the Council's finances against the agreed budget. Key points are summarised below:

Performance Reporting

- 8.8 The committee:
- Made links between developing dashboards informing overview and scrutiny investigations, and vice versa.
 - Made and emphasised the links to other governance structures such as the Health and Wellbeing Board (HWBB) on health-related measures relevant to the Council's outcomes

- Strongly encouraged a focus on ensuring targets were set for all KPIs to help evaluate progress against planned direction of travel
- Maintained ongoing involvement in shaping the performance dashboards - commitment to the iterative development of the dashboards, and helping inform how this takes place through the work and focus of the committee.
- Highlighted concerns regarding the performance of specific services, for example: the streetlight replacement programme and repairs, identifying that this topic could be considered for review by the relevant committee.
- Made the links between performance and the effective delivery of the Transformation Programme project looking at third party spend.

Financial Reporting

8.9 The committee:

- Maintained a focus on progress in delivering savings/spending reductions
- Developed their understanding of how capitalisation was being used to help with the delivery of transformation and service changes
- Focused on areas of confirmed pressures – adult social care, children’s social care, and temporary accommodation. Discussed that through the year it was evidence that demand-led services were forecasting significant pressures.
- Recognised that the transformation agenda was looking into mitigating/ managing demand and identifying emerging needs, as well as reducing costs whilst delivering outcomes.
- Heard about ‘Reablement’ and the £4m to £6m shortfall in funding and that the Council had made an application for further funding.
- Welcomed the increasing level of detail and accessibility in the reporting

Bullying and Harassment Task and Finish Group

- 8.10 Following recent incidents impacting staff a Task and Finish group was commissioned to enable Members to understand what arrangements were in place to support officers.
- 8.11 Through their discussions it was confirmed that the Council already has an Unreasonably Persistent and Vexatious Customers policy, a Harassment and Bullying policy, and a Whistleblowing policy that are aligned to each other to support staff when dealing with situations/incidents.
- 8.12 Members reflected that the expectations of communities and their needs continue to evolve and the same factors which are placing additional pressures on council budgets, such as increasing costs of commissioning and providing services, are also impacting on people and their families through their rising cost of living.
- 8.13 The related increases in cost and rising demand for services means that the Council is not always able to meet those expectations which can lead to customer dissatisfaction and frustration resulting in unacceptable behaviour, particularly for some of those customers who are frequently and persistently in contact with officers, services, and the Council more widely. The group also identified that they felt there was a gap in terms of similar policy and related support for Members, and that this should be considered either by their Task and Finish group or by a new group who should provide recommendations to the Council.

- 8.14 Members of the group undertook a range of activities to develop their understanding of the Council's current Bullying & Harassment policy and to identify opportunities to develop it further. This included:
- ensuring that applicable learning from other areas and from the Ombudsman outcome is adequately reflected within the policy.
 - alignment to the Council's Unreasonably Persistent and Vexatious Customers policy.
 - benchmarking policies with other local authority policies was also undertaken, and
 - research with the CIPD to inform recommendations.
- 8.15 In summary the opportunities identified were:
- A review of the organisation's approach to harassment and bullying relating to mental health and mental health conditions with examples.
 - Providing examples of behaviours, legalisation and also impact of Bullying and Harassment on the organisation, e.g. low morale, absenteeism etc
 - As an additional support, have in place staff members who are Harassment Advisors – similar to the Council's Domestic Abuse support roles.
 - Highlight and explain subtle workplace bullying such as gaslighting and how to spot it.
 - Adopt a specific policy detailing how to deal with third party harassment
- 8.16 The group also considered the findings of a staff survey carried out during anti bullying week (13-17 November 2023).
- 8.17 The work resulted in recommendations on the Bullying and Harassment Policy including its renaming to the Bullying Harassment Discrimination and/or Victimisation Policy to improve staff understanding of what the policy covers.
- 8.18 In doing this the Council should inform employees about the type of behaviour that is expected and what is unacceptable, and that the application of the policy should provide employees who are the victims of bullying, discrimination, harassment and victimisation, a means of redress.
- 8.19 Enhancing the policy should highlight the inclusion of gas lighting, cyber bullying and social media, as well as dealing with third party harassment and further alignment to other Councils policies including the procedure for dealing with unreasonably persistent and vexatious behaviour.
- 8.20 There was also confirmation by the committee that the members of the Task and Finish group should look at options in relation to Bullying and Harassment for Members.

Green Paper: Capital Strategy Mid-term Review

- 8.21 Over the year Members had a focus on the Capital Strategy, ensuring that it was considered alongside their maintaining a view of the MTFS delivery and development, and the Transformation Programme.
- 8.22 The committee looked at the Green Paper which set out the reasons and suggested process for a mid-year review of the Capital Strategy which was previously approved by Council in March 2023.

- 8.23 They commented on the proposed scope of the review, the timeline for it and highlighted their thoughts on the relationship of the strategy with development of alternative budget proposals.
- 8.24 Members emphasised the importance of early scrutiny involvement with the review, and it was agreed that once an initial briefing had been provided to all members on the capital strategy that a Task and Finish Group on the Capital Strategy be set up.

Capital Strategy update and Capital Strategy T&F group

- 8.25 The Committee's Capital Strategy Task and Finish Group carried out their investigation at pace over three sessions and developed 7 recommendation areas:
- Realistic Capital Project Timelines, avoiding slippage and improved reporting of delivery, progress and impact
 - Local member awareness and input.
 - Systematic review and learning from capital project delivery.
 - Establish an 'opportunity register' and central external funding team
 - Geographic visualisation of capital projects.
 - Highways Capital Programme
 - Responding to recommendations and delivery actions
- 8.26 In completing the work, they walked through the current process to identify, prioritise, and deliver capital projects, using information and insights from the People Directorate, as well as examples of local member experiences of capital projects taking place in their electoral division.
- 8.27 The group's conclusions and recommendations included that:
- Engagement of the Local Member as early as possible as capital projects are being identified and developed, could help identify local issues and situations that could cause projects to be delayed or stopped.
 - That the impact of slippage includes revenue costs, and that there is scope to develop measurement and timely reporting to ensure that the impact of slippage is identified, monitored, understood, and managed.
 - That systematic review and learning, and measurement of progress and impact would contribute to identifying opportunities to continuously improve how capital projects are identified, planned, and delivered.
 - The Task and Finish group members support investing capital funding in projects that deliver improved outcomes for local people and communities, the Shropshire Plan priorities, demand management, and revenue benefits to the council.

Transformation and MTFS Task and Finish Group

- 8.28 The Task and Finish group finished their first phase of work in February 2024. Their report set out their key findings, conclusions, and recommendations. They prioritised developing their understanding of the transformation programme projects and the relationship with the MTFS and looked at a range of projects led by the People and Place directorates. They also heard from the council's delivery partners, Price Waterhouse Cooper (PWC). The transformation projects they focused on were:
- Reablement
 - Care at Homes
 - Assistive Technology

- Early Help
- Family Hubs
- Waste Private Finance Initiative (PFI)
- Temporary Accommodation
- Third Party Spend – included agency spend across the Council

8.29 The Task and Finish group were satisfied that they had the opportunity to challenge and understand the work being progressed by the council with PWC. They made 10 recommendations to improve things further that were based around the following areas:

- Members being kept informed about the realisations of the financial and non-financial benefits, and the recommendations, actions arising, and progress with transformation from the work with PWC.
- KPIs and other key measures related to the Transformation Programme should be developed and included in the quarterly performance reporting and the quarterly financial reporting.
- Support for efforts to increase the number of the council's foster carers, to harness the benefits of technology and 'virtual care' in adult social care packages, and
- Work between service areas to ensure that it is possible for people who work in the health and care to live closer to where they work,
- That properties that are developed are suitable to meet the needs of an ageing population.
- That the work programming by each Overview and Scrutiny Committee should take account of the Transformation Programme.

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

Meeting Papers for the Performance Management Scrutiny Committee April 2022 to March 2023 and the Transformation and Improvement Overview and Scrutiny Committee July 2023 to March 2024

Local Member: All

Appendices [Please list the titles of Appendices]