

## Resources and Fire & Rescue Overview & Scrutiny Committee

13 September 2017

### One Organisational Plan Quarterly Progress Report: April - June 2017

#### Recommendation

That the Resources and Fire & Rescue Overview & Scrutiny Committee:

Considers and comments on the progress of the delivery of the One Organisational Plan 2020 for the quarterly period of April-June 2017 as contained in the report.

#### 1. Introduction

- 1.1. The One Organisational Plan Quarterly Progress Report April - June 2017 was considered and approved by Cabinet on 7<sup>th</sup> September 2017. It provides Members with a strategic overview of progress of the key elements of the OOP, specifically in relation to performance against key business measures, strategic risks, workforce management, revenue and capital budgets, reserves and savings targets. The report also provides detailed information on the financial aspects at a Business Unit level.
- 1.2. This report draws on financial and performance information extracted from the Cabinet report and provides Members of this Committee with information relevant to the remit of the Committee.
- 1.3. This report aim to provide:
  - (i) Quarterly (most up-to date) performance information of the relevant OOP Reported Measures.
  - (ii) A longer term view of the performance of services as seen through their OOP Reported Measures.
  - (iii) Additional commentary on areas of under-performance to enable a better understanding of the reasons and the actions being taken to address these and
  - (iv) Progress on relevant key transformation programmes and projects underway to address specific challenges (from Quarter 2).

## 2. Context: Performance Measurement of OOP 2020

- 2.1 This report covers services which are the responsibility of the Resources Group and Fire & Rescue.
- 2.2 The OOP Outcome Framework for 2017-2020 contains three key Outcomes. The achievement of these Outcomes is measured through 78 OOP Reported Measures (at Q1) which underpin the 3 Outcomes and the progress of all 78 ORMs is reported to Cabinet. The 78 ORMs are also reported by one of seven policy/service areas under the relevant OOP Outcome.
- 2.3 Each OOP Reported Measure (ORM) has a target which the relevant service will aim to attain by the year end. Each ORM is rated through a RAG system at each quarter and at year-end. For Quarters 1-3 of the year, the RAG rating is based on a forecast by the service of the likely year-end position. At the year-end, the RAG rating is based on the actual performance attained for most ORMs. A very small number of ORMs do not have confirmed year-end figures until after the Cabinet meeting in July; however these are usually available by the time each Overview & Scrutiny Committee considers the year-end reports. A Green rating indicates that the ORM has attained or exceeded its target; an Amber rating indicates that the target was missed/within a tolerance level, generally of 5% of the target (though a few ORMs have a tolerance level of 2% or none) and a Red rating indicates that the target has not been attained. In exceptional cases, A RAG rating may not be available for a variety of reasons- usually due to the data not being available or a target not having been established.
- 2.4 The 78 OOP Reported Measures are attributed to the seven policy/service areas as follows:

<b>OOP Outcome 1: Warwickshire's communities and individuals are supported to be safe, healthy and independent</b>	
<b>Policy/service area</b>	<b>Number of OOP Reported Measures</b>
Children are safe	9 ORMs
Adult Social Care	9 ORMs
Health & Wellbeing	8 ORMs
Fire & Community Safety	13 ORMs
<b>OOP Outcome 2: Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure.</b>	
Economy, infrastructure & environment	18 ORMs
Education & Learning	8 ORMs
<b>OOP Outcome 3: WCC makes the best use of available resources.</b>	
Using resources well	13 ORMs

2.5 This Committee’s remit is:







“To review and/or scrutinise the provision of the council relating to the fire and rescue service, budget, medium term financial plan, corporate business plan, planning and performance arrangements, finance, property, information technology, facilities management, workforce strategy and development, law and governance, libraries, customer service and communications.”

2.6 21 of the 78 ORMs, contributing to all the 3 OOP Outcomes, are relevant to the remit of this Committee. This report therefore informs on the progress of:

- The overall delivery of the One Organisational Plan 2020, including progress of the 3 OOP Outcomes, the key elements of the Authority’s medium term financial plan: revenue and capital budgets, savings target and reserves.
- 7 of the 13 ORMs for the Fire & Community Safety policy area, contributing to Outcome 1
- 1 of the 18 ORMs for Economy & Infrastructure, contributing to Outcome 2 and
- 13 ORMs for Resources contributing to Outcome 3.

**3. Progress on the Overall Delivery of the One Organisational Plan**

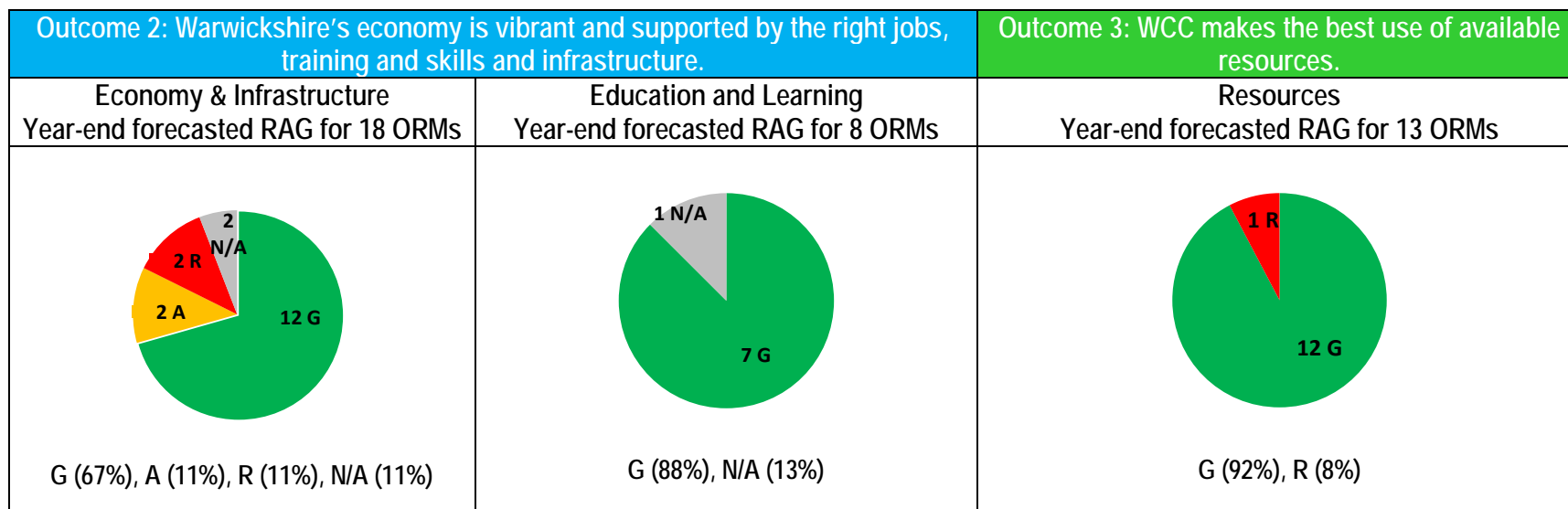
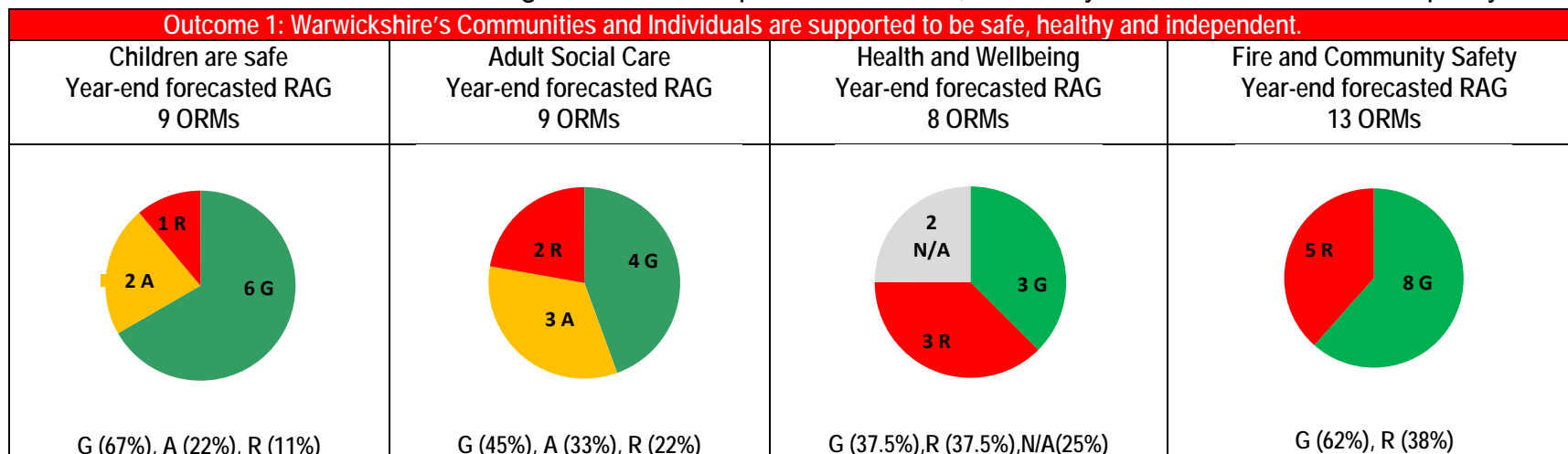
3.1. At the end of quarter 1, the forecast about the major components of the Authority’s Plan is as shown in the table below.

Overall Delivery of One Organisational Plan 2017-20					
OOP Outcomes	Savings 2017-18	Controllable Revenue Variance	Capital Slippage into future years	Strategic Risks	Workforce
					

3.2 Appendix A (as sent to Cabinet on 7 September 2017) provides details on the savings, revenue, capital budget, strategic risks and workforce elements whilst Annex R-Cabinet provides details of all the forecasts of the 78 ORM and the above RAG ratings are based on the information in these two documents.

- 3.3 Overall, the forecast is that the Authority will be close (Amber) to delivering all three high level Outcomes of the One Organisational Plan. Specifically, for Outcome 1, “Safe, healthy, independent communities”, good progress is being made in relation to the transformation of children & family services which is forecasting the achievement of 66% of their OOP Reported Measures and a break-even position in relation to their year-end revenue budget (a step change from previous year’s position for this budget).
- 3.4 The forecast outturn for the savings plan is that there is likely to be a shortfall of 2.4% (£770,000) against the overall target by the year-end. Where this has an impact on the revenue outturn position, services have sufficient reserves to cover any shortfall. This shortfall is within tolerance levels and Business Units are basing their plans for achieving their savings targets over the three year period.
- 3.5 An under-spend of £2.060 million (0.76%) is being forecast on the revenue budget for the year, which is within the agreed tolerance level of 2%.
- 3.6 As a result of these actions, the financial standing of the authority and the forecast of resources available to deliver the OOP Outcome Framework remain robust.
- 3.7 Chart 1 below provides an overview of the forecast RAG rating of the 78 ORMs which are shown under the 3 OOP Outcomes and also disaggregated by the seven policy/service areas.
- 3.8 Overall, 21 of 39 (54%) ORMS for Outcome 1, 19 of the 26 (73%) for Outcome 2, and 12 of the 13 (92%) for Outcome 3 are forecasting to achieve their yearly targets.
- 3.9 At a disaggregated level, five of the seven policy areas are forecasting to achieve at least 60% of their ORMs.
- 3.10 The two policy areas which are forecasting less than half of their Measures achieving a Green RAG are Adult Social Care and Health & Wellbeing.

Chart 1: Year-end forecast of RAG rating for 78 OOP Reported Measures, shown by 3 OOP Outcomes and 7 policy areas



#### 4. Progress on Performance for Resources, Fire & Rescue

4.1 The attached Annex R-OSC Resources, Fire & Rescue 2017-18 Q1, provides details of the 21 ORMs relating to the Fire and Rescue Service and Resources Group services.

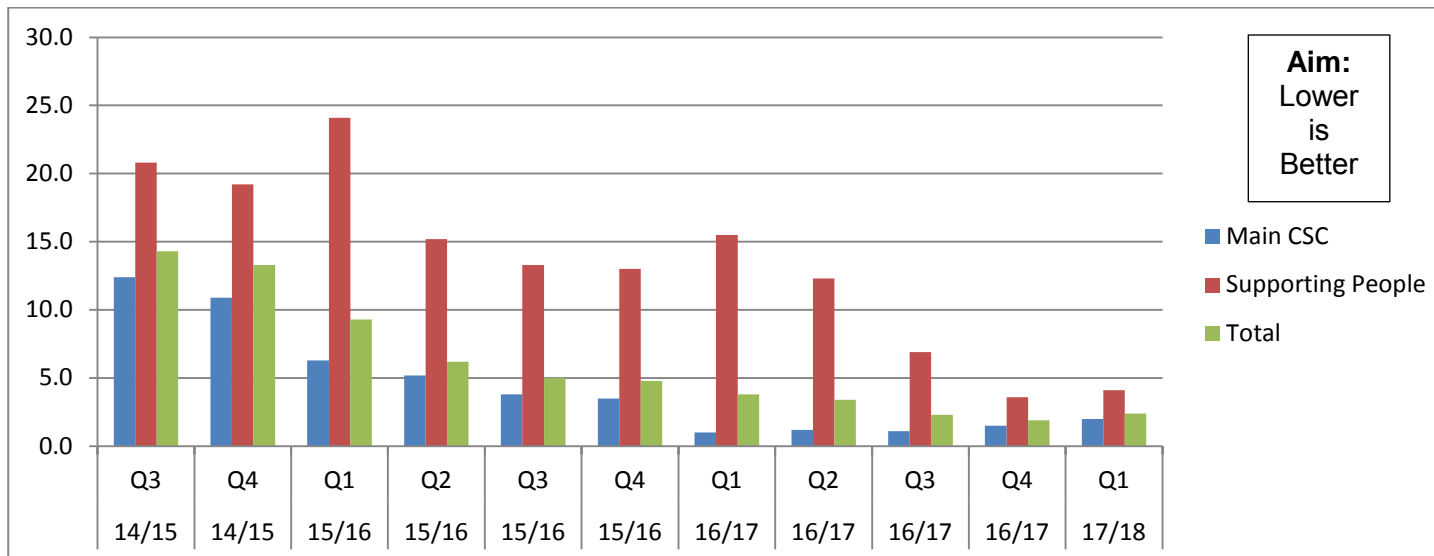
##### Resources Group services

4.2 14 of these 21 ORMs are the responsibility of the Resources Group. Chart 1 above shows that the year-end forecast is that 12 of the 13 ORMs under Outcome 3, all of which are the responsibility of the Resources Group, are forecasting to achieve their yearly target. In addition, one ORM under Outcome 2, for the policy area Economy and Infrastructure, also the responsibility of the Resources Group, is also forecasting to achieve its yearly target.

4.3 One ORM which currently has a year-end forecast RAG of red is that for the number of visits to libraries per population. The details are as follows:

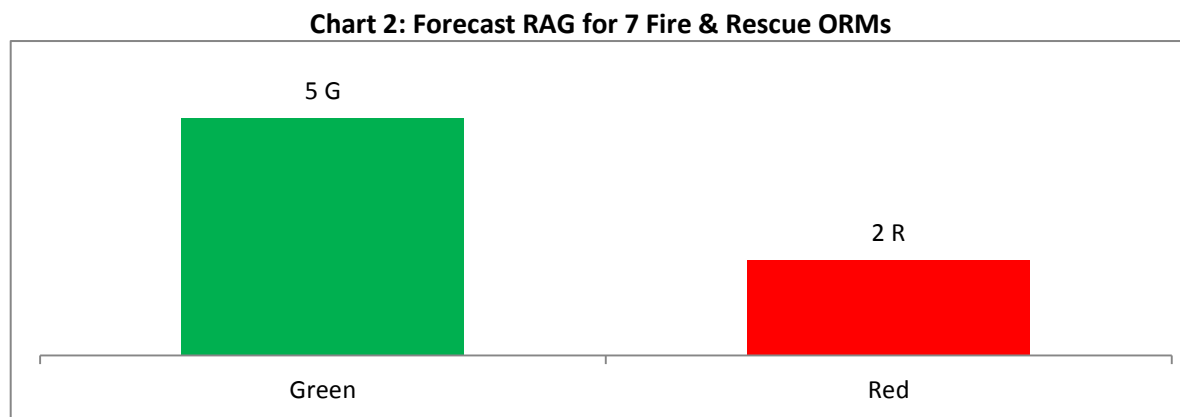
Measure	Is higher or lower better	Q1 Actual	Year-end forecast	Year-end Target	Year-end forecast RAG
Number visits to Libraries (per population)	Higher	0.62	2.46	2.8	Red
Commentary	The figures are for WCC run sites. The forecasted dip in performance is due to the location of Stratford Library, which is our 5 <sup>th</sup> busiest one, to a temporary site whilst its permanent accommodation was undergoing refurbishment. The library is back to its permanent site now and the figures for Q2 will allow a better assessment of whether visits are likely to recover. This measure met its target in 2016-17.				

4.4 Amongst the Resources Group ORMs forecasting to achieve its yearly target is that for the rate of abandoned calls which is responsibility of the Authority's Customer Service Centre. This Measure continues to show an improving performance and is forecasting to have no more than 5% of abandoned calls, thus meeting its target for 2017/18. The table below shows the trajectory of performance on this OOP Reported Measure since mid-2014.



### Fire & Rescue Service

4.5 Chart 2 below shows the year-end forecast RAG for the 7 ORMs which are the responsibility of the Fire and Rescue Service.



4.6 The details of the two ORMs with a forecasted red RAG are shown in the table below

<b>Measure</b>	<b>Is higher or lower better</b>	<b>Q1 Actual</b>	<b>Year-end forecast</b>	<b>Year-end Target</b>	<b>Year-end forecast RAG</b>
Total No. of incidents attended by WFRS	Lower	942	3500	3013	Red
Commentary	The number of incidents during Q1 is higher than the same period last year. There has been an increase in the number of secondary fires (fires where no property or vehicles is involved) that were attended. This is mainly due to the hot dry weather recently. Both deliberate and accidental fires have seen significant increases. Continue monitoring of incident activity to identify emerging trends and hotspot areas. Implement preventative targeted initiatives				
% times 2nd appliance arrives at life risk/ property incidents within agreed response standards	Higher	80.79%	82.0%	90%	Red
Commentary	This measure continues to be challenging with a regular review of performance undertaken by officers. The primary reason for the low performance is due to the hard to reach geographical locations of incidents and the prolonged travel times between the more rural retained stations. We will continue to monitor this closely and endeavor to do the best we can to improve the performance in this area. It should also be noted that the performance for the percentage of times a 1 <sup>st</sup> appliance arrives within agreed response times met its target during Quarter 1 and is forecasted to also meet the target by the year-end.				



## 4. Financial Commentary

### 4.1 Revenue Budget

4.1.1 The Council has set the following performance threshold in relation to revenue spend: a tolerance has been set of zero overspend and no more than a 2% underspend. The following table shows the forecast position for the Business Units concerned.

	2017/18 Budget	2017/18 Outturn	Revenue Variance		Retained reserve	Financial Standing
	£'000	£'000	£'000	%	£'000	£'000
Customer Service	8,549	8,528	(21)	0.25% underspend	(973)	(994)
Finance	3,520	3,637	117	3.32% overspend	(694)	(557)
HR & OD	6,100	5,852	(248)	4.07% underspend	(721)	(969)
ICT Services	9,351	9,142	(209)	2.24% underspend	0	(209)
Law & Governance	878	814	(64)	7.29% underspend	(20)	(84)
Performance	3,407	3,648	241	7.07% overspend	0	241
Property Services	8,468	8,371	(97)	1.15% underspend	(401)	(498)
Fire & Rescue	18,538	19,621	1,083	5.84% overspend	(2,737)	(1,654)

4.1.2 The reasons for any over-spends and under-spend of more than 2% are given below.

#### **Overspends (above 0% Tolerance)**

- Finance  
The forecast overspend is largely the result of reduced income from the Pension Fund for recharged services and this will be resolved during the year by formalising a Service Level Agreement where costs and services are better defined. If there is any forecast overspend by year end then it will be met from the Business Unit's reserves (the Business unit has not drawn down any reserves for 2017-18 yet).
- Performance  
Delivery of transformation both across the Council and within the Resources Group in the short to medium term predicated on the use of transformation funds to cover fixed term and agency staff to fill resource gap and that suitable skill sets are available in the market place.
- Fire and Rescue  
The Service is experiencing a number of pressures around its capacity and resilience in not just its frontline service and managerially but in other support areas as well. To ease these pressures and while the recruitment of new whole-time firefighters plus the ongoing attempts to fill other posts take effect, the Service will utilise business continuity arrangements and other opportunities to address its pressures. However, this has resulted in a planned overspend of £1,033,000 which it intends to fund from allocated reserves. The Service will continue to review its financial position at Q2 when it has additional forecasting information, and will take a view at that time on how much funding it will seek to draw down to meet these planned costs.

#### **Underspends (above -2% Tolerance)**

- HROD  
Underspend due to early delivery of savings plan and Voluntary Early Retirement applications. Plans are being developed to use the underspend to fund key projects in support of transformation, including the new HR/Payroll system if necessary.
- ICT Services  
Of the £209,000 underspend there is a request to return £216,000 to the Going for Growth reserve. This is due to the BDUK project receiving additional funding from WCC partners. This was not available when the original request was submitted to draw down 2016/17 underspend from reserves. By agreement with the Customer and Transformation Board, the £107,000 Corporate ICT Development underspend will be reinvested in further corporate projects. Taking this into account, the underlying position of the Business Unit is £114,000 overspent. This is due to the forecast shortfall in the WES surplus target of £157,000. Any further underspend in the service during the year will be used to address this shortfall.

- Law and Governance

Overall Law & Governance is ahead of target. Schools variance is known and action is being taken to increase revenue; Legal Services external income is above budget, with costs contained, leading to increased surplus; Legal Core is forecast to exceed budget by £34,000. Due to the legal work being supported, it is likely that this budget will be exceeded for 2017/18.

## 4.2 Delivery of the Savings Plan

4.2.1 The savings targets and forecast outturn for the Business Units concerned are shown in the table below.

Business Unit	2017/18 Target £'000	2017/18 Actual to Date £'000	2017/18 Forecast Outturn £'000	2017-2020 Implementation Status	Comments
Customer Services	356	324	324	Amber	There is a marketing plan in place to generate additional income for the Registration Service
Finance	624	659	659	Green	Detailed plans are in place for 2017/18 savings. There is more work to do on identifying £160,000 of savings by 2019/20 (so 20% of the overall target), but confidence is high that this relatively small amount will be achieved by the end of OOP2020
HR & OD	313	313	313	Green	
ICT Services	1,102	1,048	1,102	Green	All savings are built in to section business plans and we are expected to be on target
Law & Governance	65	57	65	Green	
Performance	90	90	90	Green	
Property Services	2,157	905	2,157	Amber	There is a significant reliance on the delivery of capital receipts from surplus assets. Whilst investment has been made in advancing planning applications to enhance value, securing timely consents and good market offers remains a risk. Also the emerging project to deliver community hubs will affect pace and further property rationalisation. The Service is therefore looking to bring forward other projects and property disposals in order to meet the property rationalisation target. In addition, other possible savings from other parts of the service are also being considered as an alternative means of achieving the target.
Fire & Rescue	368	368	368	Amber	Our confidence to deliver the 2018/19 savings through a single fire control has reduced due to continuous supplier problems and ongoing challenges in developing a business case especially as Northamptonshire Fire and Rescue Service is now facing a fundamental change in its governance which, if implemented, will improve its financial position and may negate the need for this saving requirement.

### 4.3 Reserves

4.3.1 The following Business Units are seeking approval to from reserves to support the delivery of their plans in the current financial year:

- Performance  
£0.224 million to fund the cost of fixed term contractors working on the Resources Transformation project
- Property Services  
£0.100 million drawdown from the Catering Equalisation account to achieve the Catering surplus target and therefore ensure funding is available to deliver the Business Unit's wider agenda.

4.3.2 Business Units are also seeking members' approval to put money into reserves to support the delivery of services in future years. The specific proposals members are asked to approve are:

- ICT Services  
£0.216 million additional funding received from BDUK partners which will be required to support the project in 2018/19

### 4.4 Capital Programme

4.4.1 The table below shows the approved capital budget for the business units, any slippage into future years and the RAG status at Quarter 1.

Service	Approved budget for all current and future years (£'000)	Slippage from 2017/18 into Future Years (£'000)	Slippage from 2017/18 into Future Years %	Current quarter - new approved funding / schemes (£'000)	All Current and Future Years Forecast (£'000)
Fire & Rescue	9,630	(5,362)	-57%	11	9,641
Customer Service	3,416	50	12%	0	3,416
ICT Services	26,814	(50)	-1%	32	26,847
Property Services	34,890	(38)	0%	0	34,890

4.4.2 The reasons for the slippage compared to the approved budget are:

- Fire and Rescue – Slippage relates to delays on the new build training centre facility. This was caused by planning and land acquisition delays. Construction is now due to commence in January 2018.
- Customer Service – The spend on a project has been brought forward because a grant has been received from the Arts Council and work can go ahead sooner.

## 5 Supporting Papers

5.1 A copy of the full report that went to Cabinet on the 7<sup>th</sup> September 2017 is available via the following link: [One Organisational Plan Quarter 1 Progress Report April 2017-June 2017](#) and the supporting Business Unit Background Information relevant to the remit of this Committee, which also went to Cabinet on 7<sup>th</sup> September, is available in each of the Group Rooms.

Authors:	Sushma Soni, Performance & Improvement Officer (Policy Lead) <a href="mailto:sushmasoni@warwickshire.gov.uk">sushmasoni@warwickshire.gov.uk</a> ; Tel 01926 41 2753
Heads of Service	Kushal Birla – Customer Service; <a href="mailto:kushalbirla@warwickshire.gov.uk">kushalbirla@warwickshire.gov.uk</a>
	John Betts – Finance; <a href="mailto:johnbetts@warwickshire.gov.uk">johnbetts@warwickshire.gov.uk</a>
	Sarah Duxbury – Law & Governance; <a href="mailto:sarahduxbury@warwickshire.gov.uk">sarahduxbury@warwickshire.gov.uk</a>
	Tricia Morrison – Performance; <a href="mailto:triciamorrison@warwickshire.gov.uk">triciamorrison@warwickshire.gov.uk</a>
	Steve Smith – Physical Assets; <a href="mailto:stevesmith@warwickshire.gov.uk">stevesmith@warwickshire.gov.uk</a>
	Rob Moyney – Deputy Chief Fire Officer; <a href="mailto:robmoyney@warwickshire.gov.uk">robmoyney@warwickshire.gov.uk</a>
Strategic Directors	David Carter, Joint Managing Director; <a href="mailto:davidcarter@warwickshire.gov.uk">davidcarter@warwickshire.gov.uk</a>
	Andy Hickmott, Chief Fire Officer; <a href="mailto:andyhickmott@warwickshire.gov.uk">andyhickmott@warwickshire.gov.uk</a>
Portfolio Holders	Cllr K Kaur: <a href="mailto:cllrkaur@warwickshire.gov.uk">cllrkaur@warwickshire.gov.uk</a> ; Cllr P Butlin: <a href="mailto:cllrbutlin@warwickshire.gov.uk">cllrbutlin@warwickshire.gov.uk</a> Cllr H Roberts: <a href="mailto:cllrroberts@warwickshire.gov.uk">cllrroberts@warwickshire.gov.uk</a>

## Warwickshire's communities are supported to be safe, healthy &amp; independent.

BU	OOP Reported Measure	Aim-is Higher or Lower Better	Q1 Actual	Year End Forecast	2016-17 Target	Year End Forecast RAG	Comments	Actions to be taken
<b>Fire &amp; Community Safety</b>								
Fire & Rescue	Total No. of incidents attended by WFRS	Lower	942	3500	3013	Red		
Fire & Rescue	% times an appliance arrives at life risk/ property incidents within agreed response standards	Higher	76.27%	76.00%	75%	Green	This measure continues to be challenging as we come into the summer period and we have a number of vacant posts and long term sickness. Greater flexibility from staff and good management by officers is maintaining the availability of fire engines and assists in meeting the response standard	
Fire & Rescue	% times 2nd appliance arrives at life risk/ property incidents within agreed response standards	Higher	80.79%	82.00%	90%	Red	This measure continues to be challenging with a continuous review of performance undertaken by Officers within Service Delivery. The primary reasons for the low performance is due to the hard to reach geographical locations of incidents and the prolonged travel times between the more rural retained stations. We will continue to monitor this closely and endeavour to do the best we can to improve the performance in this area.	Weekly monitoring of response standards and causes of missing the second appliance attendance time. Review of performance at the fortnightly and monthly performance meetings. Monitoring of availability of appliances.
Fire & Rescue	No. of preventable fire related deaths	Lower	0	0	0	Green	There have been no fire deaths in the 1st quarter of this year. This performance is good as there were 3 fire deaths in the final quarter of the previous year. These deaths continue to be the subject of an internal review and the outcome of this will shape our future fire safety strategy	
Fire & Rescue	No. of accidental dwelling fires	Lower	33	150	152	Green	The number of accidental dwelling fires or house fires remains low and can be attributed to an ongoing successful community fire safety strategy	
Fire & Rescue	No. of safe and well visits to vulnerable members of the community	Higher	986	4000	4000	Green	The performance of this measure is good as the early impact of the Grenfell Tower fire was that some community safety activities were suspended while operational crews focused on providing fire safety advice to the residents of high rise buildings	
Fire and Rescue	No. of major training events/ exercises undertaken at risk premises	Lower	2	12	12	Green		

## Warwickshire's economy is vibrant and supported by the right jobs, training, skills and infrastructure

BU	OOP Reported Measure	Aim-is Higher or Lower Better	Q1 Actual	Year End Forecast	2016-17 Target	Year End Forecast RAG	Comments	Actions to be taken
<b>Transport, Environment, Economy &amp; Localities</b>								
Information Asset (1)	% Coverage for Warwickshire of high speed broadband / internet access for all premises and small businesses	Higher	92.13%	95.00%	95.00%	Green	Forecast to achieve 95% coverage by end of year. Roll-out ebbs and flows with BDUK rollout however currently on target for Q1 and Year End	

Resources and services are targeted effectively and efficiently whether delivered by the local authority, commissioned or in partnership								
BU	OOP Reported Measure	Aim-is Higher or Lower Better	Q1 Actual	Year End Forecast	2016-17 Target	Year End Forecast RAG	Comments	Actions to be taken
<b>Our resources are effectively and efficiently targeted</b>								
Customer Service	Number visits to Libraries (per population)	Higher	0.62	2.46	2.8	Red	Figure is for WCC run sites. This was due to Stratford Library having relocated and operating from a smaller temporary site during Quarter 1.	
Customer Service	Call abandonment rate	Lower	2.40%	5.00%	5	Green		
Finance	Statutory reports are unqualified by External Auditors (Pension Fund)	Higher	0.00%	100.00%	100%	Green	All indications are that the reports will be unqualified	
Finance	Statutory reports are unqualified by External Auditors (WCC Statement of Accounts)	Higher	100.00%	100.00%	100%	Green	All indications are that the reports will be unqualified	
Finance	Pension fund return on investment above target	Higher		545.00%	100%	Green		
Finance	Amount of Cash Return on Invested Capital, expressed as a ratio over LIBID (or other target agreed in the Council's Treasury Management Strategy), and Other County Council Benchmark	Higher	400.00%	400.00%	100%	Green		
HROD	Staff turnover (KBM)	Lower	15.58%	16.40%	10-20%	Green		
HR & OD	HROD - Positive employee engagement score	Higher	N/A	70	70%	Green	Only measured through Your Say survey, no data available at present.	
ICT	Availability of IT key systems through core infrastructure to users	Higher	100.00%	100.00%	99%	Green		
Performance	% Benefits delivered from high priority projects and programmes	Higher	N/A	92.00%	90%	Green	There are 15 critical projects across the council Five of the critical projects are due to close in 2017/18 - Mosaic/CIS, HomeFirst, 0-5 redesign, Europa Way and Your HR. Work will be progressed in Q2 to define and refine the project benefits. Forecast is based on estimate that there will be 5 benefits defined per project.	Define and refine benefits, and milestones required to achieve them for critical projects in Q2
Property Services	Target asset receipts received (KBM)	Higher	10.83%	100.00%	100%	Green		
Property Services	WCC Council Property footprints (sq. mtrs)	Higher	8.89%	100.00%	100.00%	Green	This measures the extent to which we achieve our target for reducing floor space of centralised property.	
Property Services	Actual project delivery time to planned delivery time	Higher	95.00%	92.00%	92%	Green		