



Corporate Performance Report
Executive Summary
2023/24 Quarter 2



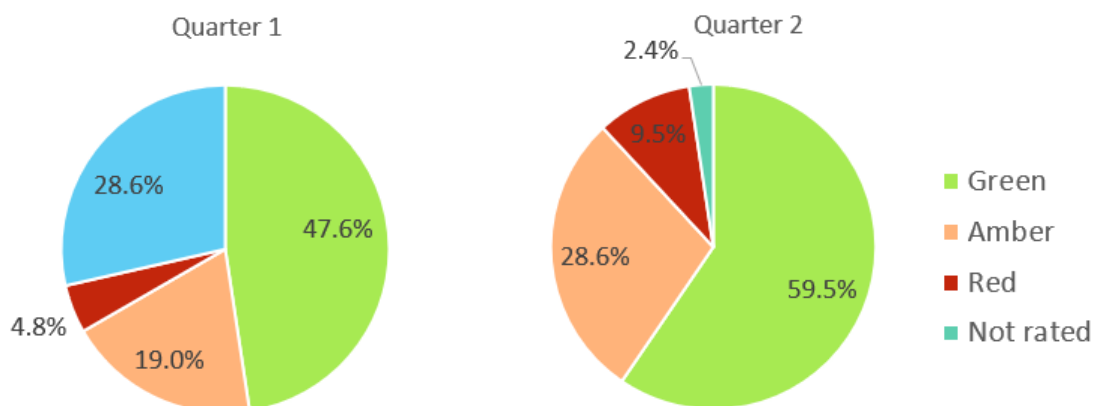
Introduction

At its meeting of 8 June 2023, Cabinet agreed the Council's performance dashboard for 2023/24 to monitor progress towards achieving our four priorities: delivering better services, protecting our environment, supporting economic growth, and caring for the vulnerable, as well as providing an overview of our corporate health. The dashboard includes 42 key performance indicators (KPIs) plus an overarching measure of the degree to which we are achieving or exceeding our targets.

Overview of performance

The percentage of rated KPIs that are achieving or exceeding their target, for quarter 2 is 61.0%. Although this is lower performance than in quarter one, we have significantly more KPIs with ratings in this quarter (12 unrated in quarter 1 compared to one unrated in this quarter) as shown in the charts below.

Comparison of KPI ratings in quarters 1 and 2:



The unrated measure is still in development. The number of KPIs rated as Green (on track to be delivered) has increased from 20 in quarter 1, to 25 in this quarter, with notable improvements in adult social care in particular.

The Chief Executive and each Executive Director has provided a summary of performance for their areas of responsibility in the following sections.

Angie Ridgwell, Chief Executive

This report provides an overview of the first half of 2023/24's performance against our corporate performance metrics. As proposed last quarter, we have now established a standardised indicator rating process, enabling more of our metrics to be rated, with only one unrated compared to 12 previously.

It is pleasing to see an increase in indicators rated green in line with our ambitions set out in the quarter 1 monitoring report. There is more work to do though in driving up our overall performance. As part of the ongoing performance review process, we have incorporated assurances that action plans are in place to improve performance where issues are highlighted.

Over the last period, we have continued to make significant strides in securing the first devolution deal for Lancashire. If this crystallises it will be an historic moment for our county



which has previously explored these opportunities but not been able to secure the unanimity required to achieve them. The Levelling Up bill, which is crucial to Lancashire's devolution deal, received royal assent in November and now paves the way for Lancashire to create a Combined County Authority. The current quarter will see much focus on preparing the detailed proposal for our consultation which will be put to Full Council for consideration and subsequently a formal decision in spring next year.

The macro and geo economic challenges continue to put pressure on our budgets, on service demand, and also on projects. Early signs indicate that inflation and interest rates may have peaked which is good news, but it is likely to be some time before the impact of this comes through our performance outcomes and financial forecasts. We continue to seek opportunities to become more efficient whilst maintaining good levels of services for Lancashire residents. With social care representing some 71% of our net budget our relationship with the NHS through the Integrated Care Board and place based partnership is critical and we continue to be very active in this space.

Our finance colleagues are gearing up for the financial settlement which will be relatively late this year and we hope not on Christmas Eve. Indications are that the settlement will be "tight" so our ongoing work to drive up efficiency is incredibly important as is better collaboration and partnership working with and in our communities.

At an operational level, it is good to note the consistently positive results from our climate and environmental activities, recognising that this activity can become a challenge when the organisation faces more immediate pressures. It is important that we continue to maintain our strategic positions and balance these with the challenge of operational delivery.

There are a number of areas where we continue to experience challenges. Action plans are in place to address the attainment gap for our more disadvantaged children, our attainment score at key stage 4, and adult social care assessment and reviews. Addressing educational attainment is essential to bring long term returns for Lancashire and social care assessments will assist with some of our immediate pressures. We are of course reliant on our partnerships with schools, as well as the NHS to secure the necessary improvements in these areas.

It is also important that we continue to maintain a fit and healthy workforce as we strive to create a more favourable future for our residents. It's encouraging to see that we have maintained our improving trend in attendance. The stronger engagement and support offer through our people strategy will continue to drive this work. Happy and healthy staff deliver better services and the results from our recent staff survey are currently being analysed to inform how we can further improve.

Our new governance arrangements with streamlined boards below the executive management team continue to bed in and evolve. This provides a good line of sight to inform effective strategic decision making and strong operational delivery. The ongoing constitution review, including the scheme of delegation, will compliment this work and ensure decisions are made at the right level, effectively balancing empowerment of staff to deliver their services with appropriate oversight.

Louise Taylor, Executive Director of Adult Services and Health and Wellbeing

This quarter the Adult Services Directorate has received some positive news as part of a peer challenge conducted by colleagues from other Northwest councils. We were highly commended on the passion of our staff and their honesty, and how organised and professional



our hosting was. Other areas of strength noted were within mental health, provider services, advocacy, the carer offer, and the Living Better Lives in Lancashire vision for adult social care. In this quarter we have commissioned an external agency to support our work to reduce waiting lists and backlogs and our delivery partner is supporting our efforts to improve data quality.

On areas for attention, the peer challenge team confirmed that our improvement plan reflects the areas we need to focus on. They also asked us to bring greater focus on how we manage risk, generally and linked to self-neglect, in tackling our waiting lists and offering legal literacy training to staff around legislation governing adult social care. We are continuing to work on how we can improve our process for auditing cases, increasing the number and quality of audits undertaken, and we will be implementing our plan for reducing backlogs and waiting lists.

In the next quarter we are undertaking a lessons learned exercise to help us to maintain focus in readiness for inspection. We will also be further developing our demand management strategy, to effectively manage our workloads and meet our savings targets, and we will continue to firm up the detailed plan for the roll out of our new strengths based operating model, Living Better Lives in Lancashire.

The last quarter has seen a number of positive developments for our Public Health teams including our contribution to the Lancashire and South Cumbria Place Integration Deal, particularly with the emerging development of collaboration agreements with district council partners, and working with Integrated Care Board colleagues to develop a joint Prevention and Health Inequalities Plan.

We are continuing to intensively work on the NHS Health Checks programme, Health Visiting Service and substance misuse services, to further improve performance. Alongside this, our areas of focus include reviewing how we engage with local communities as well as how we strategically utilise the wealth of data and intelligence so that we can more robustly understand and respond to both current and future need.

Jacqui Old, Executive Director of Education and Children's Services

Children's services continues to go from strength to strength. Our commitment to improving the lives of our young people remains central. Our performance information demonstrates tight traction, and we continue to manage demand well. We have significantly reduced the number of children in care by ending care orders and the vacancy rate for social workers is currently under 5%, the national average is 20%. This is no mean feat.

This quarter, we have taken pride in some outstanding initiatives that have made a really big impact on families. The launch of ten family hubs in September has been embraced by our communities, bringing together various agencies and partners and our library service continues to expand offering a wide range of engaging events across all libraries.

In Education Improvement we have maintained high standards in teaching and learning and we're actively addressing the challenges posed by the influx of students from other areas. Through collaboration with Asset Management, we're working to ensure that all districts have sufficient school places, allowing children to receive the education they deserve.



Some of the key areas we are working on is in relation to disadvantage. The average attainment 8 score of Lancashire disadvantaged pupils at Key Stage 4 reduced to 32.4 compared to the previous academic year of 34.9. We acknowledge the need for continued efforts to bridge the attainment gap for disadvantaged pupils and we are offering training and support to schools, with a special emphasis on peer-to-peer mentoring.

Whilst the work to support our care leavers into education and training is bearing significant fruit we are not seeing the same level of improvement for all young people. We have therefore created the Careers and Education Team who have a plan to prioritise increasing the engagement of young people.

In SEND and Alternative Provision we have completed our self-assessment in preparation for a potential inspection by the CQC and Ofsted. Ensuring excellence in our Inclusion Service is a top priority.

In the next quarter we intend to focus on Alternative Provision. We have identified the need for an Outreach First model of delivery in our alternative provision strategy.

The rising demand for Education Health & Care Plans and annual reviews is a significant concern. We are also trying to improve our offer for teenagers at risk of being received into care. We are currently falling short of our target for timely annual reviews and this backlog needs attention, including understanding the impact of key stage changes.

Lastly, the in-year budget pressure continues to be a challenge and whilst we have seen the average weekly cost of new placements showing signs of reducing, plus contributions from health increasing, we are not seeing the same traction with spend relating to children in need under section 17 of the Children Act 1989. Despite these green shoots of progress, we have a robust plan to bring spend in line with budget.

Phil Green, Executive Director of Growth, Environment and Transport

We have made significant progress in developing Lancashire's £50m Levelling Up Fund programme and clearing the final hurdles for work to commence in Q3 on the new elite and community cricket facility at Farington. At an operational level, in addition to the KPI detail within the report, the Directorate 'speed dial' dashboard continues to indicate at least 'good' performance across the majority of indicators.

A busy period helping our workforce meet the needs of the economy has seen the Lancashire Skills Pledge continue to gain traction with businesses signing up to a further 28 pledges, maintaining progress against a target of 120 ahead of the annual celebration in Q3. Sticking with employment and skills, 87 young apprentices also have benefitted from grant payments to businesses and the Skills Bootcamp Wave 4 programme has exceeded the DfE target thanks to a total of 436 starts across the provider network against an annual target of 700 (62%).

In highways, despite the high volume of customer contact, the Highways District Lead team continue to maintain excellent performance standards and have been nominated for Team of the Year within the staff awards, one of a number of success stories to be recognised within the Directorate and across the council as a whole.

Ongoing global factors and evolving macro-economic conditions continue to impact economic performance, major developments and construction with knock on implications for some key

performance areas. Whilst the rate at which prices are rising stayed at 6.7%, UK inflation remains higher than most comparable economies. To help slow prices, the Bank of England has maintained the increased UK interest rate at 5.25% over the same period. The highest rate since February 2008 continues to impact on real estate and investment decisions with ongoing implications for business and commercial developments.

Whilst industrial sectors and major developments such as Lancashire Central remain attractive to investors and we make good progress with land disposals, our vacant business park office spaces present ongoing financial challenges.

A busy quarter has seen automation levels in Customer Access stabilise at 50% as anticipated whilst telephony wait times have fluctuated throughout the quarter linked to management balancing training with roll out of technology changes.

The next quarter should see some significant milestones achieved on the major development programme including initial work on the new hospitals programme. We will be responding to a number of new and emerging policy areas from waste reforms to strategic and public transport investment supported by recruitment to key posts such as a project manager to drive investment in electric vehicle infrastructure in Lancashire.

Mark Wynn, Executive Director of Resources

We continue to make good progress developing our approach to service delivery and ways in which the Resources Directorate can better support the whole council to deliver services.

The second in-year update on financial performance will be considered alongside the performance report at December Cabinet. The projected overspend has reduced from a £7.6m overspend at Quarter 1 to a forecast overspend of £5.9m at Quarter 2. The projected overspend is primarily due to factors outside our direct control and is not as significant as is being reported by a number of other councils.

Cabinet considered the updated medium term financial strategy (MTFS) forecast at the November meeting. The previous MTFS forecast a budget surplus of £12.077m in 2024/25 with this becoming a deficit position of £19.103m by 2026/27. The updated position forecasts a gap of £14.505m in 2024/25, with this increasing to £18.294m in 2026/27. The movement reflects the inflationary and service demand pressures affecting local government as a whole. In line with our pro-active approach to financial management, work was undertaken by Directorates to identify financial savings and efficiency earlier this year in recognition of the remaining budget gap. This has resulted in "management action" savings totalling c£23m being included in the updated medium term financial strategy.

A further updated MTFS will be reported to Cabinet in January 2024, as part of the budget report. This report will include the 'government settlement figures for 2024/25 and potentially some revised assumptions for future years.

Our focus on reducing time lost to sickness continues. With regular information and support to managers being provided, including detailed dashboards for Directorates and individual service areas. This has helped deliver a further reduction in the rolling 12-month sickness absence position; however, there is still work to do to achieve our target. Mental Health remains the largest cause of absence and is a focus, including our 'supporting good days at



work' project. We have also been developing a holistic wellbeing offer, joining up occupational health, Employee Assistance programme, Employee Support Team and People Services to intervene early, and get the right support in place.

The new boards to ensure effective officer decision making are now established including for: Strategic finance; Assets, Strategy; Policy and Performance; Compliance and Assurance; Strategic People; and Change and Digital. We are also collating updates to the constitution for consideration by Full Council in December. Advice on the governance arrangements for the creation of the Combined County Authority are progressing and the Royal Assent of the Levelling Up and Regeneration Bill last week takes this opportunity for Lancashire a step forward.

Within Resources we are also managing our programme of property reviews to ensure that we have the right properties, maintained to a good standard and in the right locations to help deliver services. This has already enabled us to dispose of several surplus properties around the county, meeting this year's strategic savings target for property, and work is well advanced on future reviews. Part of the maintenance activity this year has included the refresh and repair of the Council Chamber and Committee Rooms, and the team have done a really good job to manage these works to a high standard within a tight timescale.

