

CABINET MEETING: 17 DECEMBER 2020

2020/21 HALF-YEAR PERFORMANCE REVIEW

**FINANCE, MODERNISATION AND PERFORMANCE (COUNCILLOR
CHRIS WEAVER)**

AGENDA ITEM: 10

Reason for this Report

1. To present the half-year (Quarter 2) assessment of the Council's performance in 2020/21 against the Corporate Plan 2020-23.

Background

2. In February 2020, Council approved the Corporate Plan 2020-23. The Corporate Plan sets out how the Council will deliver the administration's priorities as set out in Capital Ambition, and includes the steps and Key Performance Indicators (KPIs) considered necessary to deliver and monitor progress. The Corporate Plan also sets out the Council's Well-being Objectives for 2020/21 in accordance with the Well-being of Future Generations (Wales) Act 2015.

Issues

Summary of Half-Year Performance 2020/21

3. A high-level summary of half-year performance is attached as **Appendix A** to this report. This provides a performance update for each of the Council's seven Well-Being Objectives, including progress made, challenges and risks, and next steps. The assessment draws on a range of data sources including performance against Corporate Plan Steps and Key Performance Indicators, Risk, Budget and Assurance work.

Overview of Corporate Performance

4. The Council is continuing its journey of performance improvements, with strong performance against a number of key statutory indicators and good progress made in delivering the administration's priorities.
5. The Council's Annual Well-being Report 2019/20, approved by Cabinet and Council in September 2020, contained an evaluative assessment of the

progress made during 2019/20 and a comprehensive account of the impact of the Covid-19 pandemic on the city.

6. The Well-being Report also made clear the major impact of the pandemic on Council services and the delivery of the Corporate Plan. It recognised how the first quarter of 2020/21 was focused on pandemic management and responding to the challenges of lockdown, whilst Quarter 2 involved the safe restart of many Council services.

Responding to the Covid-19 Pandemic

7. In March this year, the Council transitioned rapidly to an 'essential services' model after lockdown measures were introduced by the UK Government, guided by the following three core principles:
 - Preventing the spread of infection;
 - Ensuring the health and safety of staff, service users and citizens; and
 - Prioritising key frontline services and support for vulnerable people.
8. Whilst this period involved unprecedented service challenges and placed significant pressure on almost every aspect of delivery, it also enabled a range of service innovations and the acceleration of policy priorities in a number of areas. This was evident across several of the Council's essential front line services, city management functions and organisational working practices. The work to tackle homelessness, with support from Welsh Government, exemplifies this. The scale of the adaptations and extent of the change to support some of the most vulnerable people in society during the pandemic has led to a fundamental reconsideration of the Council's policy approach.
9. Similarly, extensive adaptations to the city centre and district centres served to repurpose public spaces to make them compliant with the measures needed to control the spread of the virus. This has not only served to protect public health, but has enhanced the appeal of many areas of the city, supported local businesses and built pandemic resilience into the city infrastructure. Organisational adaptations have also been necessary to enable an effective response. The rapid transformation to a home and agile working model, for example, was achieved at a pace and scale that would have previously been considered unmanageable.
10. Within the Council, a programme of work is also ongoing to review and assess how home and agile working can be continued, with a focus on improving service delivery, enhancing staff well-being, locking in productivity improvements and releasing potential efficiency savings. This will include assessing the Council's digital infrastructure, property and assets bases, and workforce to ensure the shape, purpose and delivery arrangements of the Council can respond to the realities of the post Covid-19 world, whilst helping the economic recovery. The strategic and operational adaptations have demonstrated a commitment to improving services, enhancing productivity and tackling longstanding areas of challenge during a period of crisis management.

Improvement Priorities

11. The assessment at Quarter 2 is broadly consistent with that presented to Cabinet and Council in September within the Statutory Well-being Report:

- **Children Looked After and outcomes for the vulnerable children:**

The emergence of encouraging trends prior to the onset of the Covid-19 pandemic pointed to a shift in the balance of care. Performance data revealed an increase in the number of children remaining at home with a greater percentage of children looked after living with parents or extended family. The new strategic approach and commissioning model adopted by the Council provides a coherent framework for delivery and the challenge going forward will be to deliver effectively the aims of the strategy.

The service has been further strengthened with successful appointments to the senior management team as well as front line management posts. The recruitment and retention of social workers also represents an improved position, following policy decisions to impact performance in this areas, including the introduction of the market supplement. Rapid improvements are also being progressed in relation to Youth Justice through the delivery of the Action Plan, and this will be the subject of a follow-on assessment in December 2020.

The service is, however, grappling with increasing complexity and scale of demand which, if left unchecked, could have significant impact on service user outcomes and the Council's budget. Ongoing areas of challenge include ensuring the sufficiency of placements, particularly to address the numbers of children placed outside of Cardiff.

- **Waste management and street scene services:** The Cabinet identified that significant operational issues were leading to performance, budget and public perception challenges in this service, with key performance metrics in relation to recycling targets and street cleanliness requiring improvement, allied to the need to address financial pressures and ongoing governance and assurance challenges.

Over the course of 2019/20 a robust management response and reform programme was developed to address these longstanding issues. These include the establishment of new management arrangements and a focus on performance management, including a data-led approach to service development and problem resolution. Progress was also made in relation to work force reforms by addressing concerns relating to collections around bank holidays, permanent staff recruitment and improvements in workplace Health and Safety arrangements. Continued focus will be required to ensure that this reform programme delivers sustained improvement.

- **Sickness Absence:** Strengthened corporate policy and an enhanced approach to case management had impacted performance trends prior to Covid-19, with a reduction in short-term sickness. This was offset by an increase in long-term sickness, predominantly attributable to 'out-of-work' stress and musculo-skeletal issues. Over the last six months, there has

been a marked reduction in sickness absence with the Quarter 2 sickness outturn forecast suggesting an end of year position of 7.66 days per FTE against a target of 9.5 day per FTE. This is an improvement of 3.43 FTE days compared to the same forecasted period in 2019/20. There has also been a shift in short-term versus long-term sickness; with the current position of 18% (short-term) and 82% (long-term) comparing with 28% (short-term) and 72% (long-term) in 2019/20.

- **Financial pressures:** The Council continues to face significant ongoing financial pressures as well as the financial implications of Covid-19, with many areas having significant additional expenditure as a result and others facing loss of income. Certain assumptions have been made regarding the extent to which these costs and income losses can be recovered via the Welsh Government Hardship Fund for Local Authorities. However, work continues on both short-term and medium-term financial plans with Directorates in relation to the planning and delivery of efficiency savings. Enhanced service planning has been undertaken in a number of areas grappling with strategic challenges to ensure clear accountabilities, metrics and targets.
- **Digital technology, workforce development, and assets and property:** The Covid-19 crisis has had a significant, and potentially long-term, impact on the Council's approach in this area. The rapid readjustment of a number of corporate working practices, including migrating to home and agile working on a previously unprecedented scale, will demand a focus on digital technology, workforce development, and assets and property. The number of Council devices that enable mobile and agile working has already exceeded the Corporate Plan target for 2020/21. Flexible and adaptive HR policies have been introduced to ensure the Council can support its workforce during the pandemic with a new Homeworking Strategy being developed. The Council's approach to managing its assets has continued, with an immediate focus on ensuring buildings are designated as Covid Safe working areas.

Self-Assessment of Performance in Meeting Corporate Plan Steps

12. Directorates were asked to self-assess the RAG (Red / Amber / Green) rating for each of the Corporate Plan Steps for which they are the lead directorate using the following criteria:
 - **Red** – a Step should be rated as Red when serious issues have occurred and it is unlikely that any further progression can be made without some form of assistance from outside of the Directorate (e.g. SMT, enabling services etc.) At the time of writing, it is unlikely that the Step will be delivered within the agreed time frame or at all.
 - **Amber** – a Step should be rated as Amber when issues have occurred but they are not serious enough to require assistance. Progress can be recovered by the Directorate and there is a plan in place for this. It is likely that the Step will still be delivered within the agreed time frame.

- **Green** – a Step should be rated as Green when there are no issues with progress/ performance, and at the time of writing the Step will be delivered within the agreed time frame.
13. At the half-year stage (end of Quarter 2), the 99 separate Steps contained within the Corporate Plan 2020-23 were assessed as follows:
- 51.52% – Green;
 - 42.42% – Amber;
 - 6.06% – Red.
14. Directorates were also asked to carry out a self-assessment of deliverability at year end of the Steps within the Corporate Plan 2020-23 in order to take account of the impact of the Covid-19 pandemic on services and performance during 2020/21. The results of this assessment were as follows:
- 57.58% – delivery delayed by Covid-19;
 - 41.41% – delivery has not been impacted by Covid-19;
 - 1.01% – significant risk of non-delivery due to Covid-19;

Self-Assessment of Performance in Meeting Corporate Plan KPIs

15. Directorates provide KPI results against target. The KPI RAG rating is then calculated using a set formula as follows:
- **Red** – KPI result is 10% or more away from target;
 - **Amber** – KPI result is within 10% of target;
 - **Green** – KPI result is on or above target.
16. At the half-year stage (end of Quarter 2), the 115 Key Performance Indicators contained within the Corporate Plan were assessed as follows:
- 37.39% – annual result to be provided at year end;
 - 23.48% – Green;
 - 16.52% – Red;
 - 10.43% – Amber;
 - 6.96% – RAG not appropriate;
 - 2.61% – Not collected due to Covid-19;
 - 2.61% – Data not yet available.
17. Directorates were also asked to carry out a self-assessment of deliverability at year end of the KPI targets contained within the Corporate Plan 2020-23 in order to take account of the impact of the Covid-19 pandemic on services and performance during 2020/21. The results of this assessment were as follows:
- 41.74% – anticipated that the target will be met/exceeded;
 - 24.35% – anticipated that the target will not be met due to Covid-19;
 - 23.48% – annual result to be provided at year end;
 - 5.22% – anticipated that the target will not be met;

- 3.48% – RAG not appropriate;
- 1.74% - Assessment not available due to unavailability of data.

Assurance Process

18. As part of a corporate process to provide assurance in relation to the assessments and data provided as part of the 2020/21 half-year review, Directorates have undertaken an exercise to self-assess the half-year position taking into account performance data, risk registers, senior management assurance statements and the Month 6 budget monitoring position. The outcomes of these reviews have informed assurance discussions with the Chief Executive and with Cabinet.
19. The half-year review and assessment of performance will also be considered in detail at a meeting of the Policy Review and Performance Scrutiny Committee Performance Panel on 17 December 2020.

Reason for Recommendations

20. To provide Cabinet with an update on the delivery of Capital Ambition as set out in the Corporate Plan, ensure transparency, promote a performance management culture and help identify, where appropriate, improvement actions.

Financial Implications

21. This report considers the current position regarding performance and action being taken to ensure the effective delivery of Capital Ambition. The 2020/21 budget allocated resources sufficient to deliver Capital Ambition and in the event where there have been changes in assumptions that require further financial resources, then these need to be identified before progressing with the intervention.

Legal Implications

22. The Well-being of Future Generations (Wales) Act 2015 requires the Council to consider how its decisions and actions will contribute towards meeting the well-being objectives set out in the Corporate Plan and to keep the well-being objectives under review. Members must also be satisfied that the Council is complying with the sustainable development principle, which requires that the needs of the present are met without compromising the ability of future generations to meet their own needs.

HR Implications

23. There are no HR implications directly associated with this report.

Property Implications

24. There are no specific Property Implications in this report. The Strategic Estates Department have assisted and advised on property matters within

the wider assessment where necessary.

RECOMMENDATIONS

Cabinet is recommended to note the half-year assessment of the Council's performance as set out in this report and Appendix A, including the delivery of key commitments and priorities at the end of Quarter 2 of 2020/21, and the actions being taken to ensure the effective delivery of Capital Ambition and the Corporate Plan 2020-23.

SENIOR RESPONSIBLE OFFICER	Sarah McGill Corporate Director People & Communities
	11 December 2020

The following appendices are attached:

Appendix A: 2020-21 Half-Year Performance Report – High level summary by Well-being Objective

Appendix B: Update against Corporate Plan Key Performance Indicators

Appendix C: Update against Corporate Plan Steps