

1. Worcestershire County Council Leader, Simon Gerraghty presented this report to the chamber this year. It gives a great overview of the Council's work during the pandemic, it is presented at a time when our country remains affected by the continued impact of the global pandemic. The impacts remain wide ranging and new variants bring with them uncertainty and the risk of further impacts on public health, education and the economy. However, the success of the vaccination programme in our County and more broadly across the nation, has allowed us to be able to increasingly focus on recovery and on wider initiatives so important to our residents and businesses within the County.

2. Our "One Worcestershire" approach, together with the infrastructure such as Here2 Help that we put in place at the onset of the pandemic, still serves the County well. The community response has continued throughout 2021, with individuals and local groups continuing to offer support to others in need and this unwavering community effort continues to show what we can achieve when we come together.

3. Our systems and structures have proved to be highly resilient – indeed, we have invested to support that resilience and our capability to operate flexibly with, for instance, the implementation of Microsoft Teams fully implemented. In recent months we piloted a hybrid model of working, with a return to the office for part of the week and mobile and flexible working for the remainder. The aim is to develop a new way of working that retains the aspects of remote working that worked well, whilst enabling a return to offices and other physical workspaces for collaborative meetings and other tasks where face to face is better.

4. Despite the resources and focus these events have demanded, the Council has worked to progress many other projects and non-COVID-19 related matters during the year. I have used this report to try to highlight many of those achievements, based around the themes in our Corporate Plan, with the report of the Chief Executive covering organisational and operational matters.

Open for Business

5. During the past two years the impact of COVID-19 on Worcestershire's local economy has been unprecedented. We have worked extensively with partners to ensure a joined up and co-ordinated response, working alongside colleagues in District, City and Borough Councils, Worcestershire LEP, H&W Chamber of Commerce, FSB, NFU, DWP and Worcestershire Regulatory Services. This work has formed Worcestershire's Economic Recovery Group responsible for the County's Economic Recovery Plan which focusses delivery across key priorities: Information for Business, Business Support, Transport and Infrastructure, Employment and Skills, Town Centres and Tourism.

6. This collaboration has enabled businesses across the County to be reached, ensuring they have the most up to date information in relation to regulations and support, whether that has been information on opening restrictions, support from Government or local agencies such as ourselves to support business recovery and resilience. As partners we have spoken to over 1500 businesses to understand what support is needed and how we and our partners can respond effectively.

7. In July 2020, Worcestershire County Council launched Here2Help Business. Since inception it has supported over 300 local businesses, which will create over 200 new jobs, safeguard over 670 jobs and has created 47 new graduate roles across Worcestershire. While this programme has specifically targeted those companies affected by the pandemic, the Council continues to deliver tailored support for local businesses. Over the past 12 months, working with suppliers we have supported more than 1,100 businesses with their ambitions to start, grow and realise their potential.

8. In April 2020, the County Council took responsibility for Visit Worcestershire. We have worked closely with partners from the public and private sector to promote Worcestershire as a visitor destination, updating the website, bringing together tourism businesses to collaborate, led a summer campaign #discovermore, which saw adverts at key locations, on the radio and digital adverts improving social media content and increasing website traffic to more than 16,000 unique visitors per week.

9. Funding to support ambitious plans in the County has been secured by our District partners in the form of Future High Streets funding in Worcester and Kidderminster (£38.4m), Towns Fund in Redditch and Worcester (£35.2m), and the more recently announced Levelling Up Fund in Kidderminster and Bromsgrove (£32.4m). In November 2021, Government also announced that Worcestershire was awarded £2.7m from the Community Renewal Fund Programme, providing funding for locally led, innovative projects to support communities, businesses and young people.

10. A growing and successful local economy is vital for residents and businesses to prosper. It contributes to the financial sustainability of this Council too, through the income that new homes add to our tax base and the generation of increased revenue from Business Rates. Progress is tracked against the Worcestershire Local Enterprise Partnership objectives set out in the Strategic Economic Plan to create 25,000 jobs, grow the economy by nearly one third (an extra £2.9bn Gross Value Added) and deliver 21,500 new homes by 2025. So far excellent progress has been made, with GVA increasing by £2.8bn, 34,000 extra jobs and 17,360 new homes.

11. Digital infrastructure and the connectivity it provides has never been more important. The last of the Superfast Worcestershire broadband contracts completed in 2021, having taken Superfast (24Mbps+) coverage from under 70% to approaching 98% of Worcestershire. Positively, over 80% of properties built up to have taken up improved broadband services from the digital infrastructure supported by the County Council's investments, evidencing the demand for improved connectivity and providing a financial return to the Council that has continued to be reinvested in digital connectivity.

12. Attention has shifted towards reaching Gigabit capable (1000Mbps) speeds. Coverage in December 2019 was reported at 3.8%, 36.4% in December 2020 and in the last year has risen to 42.3%. In 2022 we will see further commercial broadband deployments in the County, the commencement of a Central Government broadband procurement across much of Worcestershire and the delivery of a range of community led schemes that we have supported to keep improving the Gigabit coverage.

13. The widely respected Worcestershire 5G project has transitioned to become 'nexGworx', a subsidiary of Malvern Hills Science Park, allowing businesses to develop their products and services on a private 5G network and access experienced support across the 5G ecosystem. Meanwhile, the West Mercia Rural 5G consortium is approaching the end of a two-year project focussed on understanding the delivery of rural 5G solutions and opportunities it can offer around the areas of health and care.

Environment

14. Our highways provide a vital transportation network for businesses and residents across the County and beyond. The County continues to gain the highest level of DfT Incentive funding, thus securing the maximum Highway Maintenance resource. Together with additional WCC capital investment, we can continue to improve the condition of roads and pavements, which is a top priority for residents.

15. This year, circa £27m has been invested into our carriageways and footways. 250 footway schemes will have been completed this financial year alone, equating to more than 75 kilometres of new and improved pavements. We will have completed 350 road schemes this year, equivalent to over 200 kilometres of road. We have also invested a further £800k into our network of public rights of way to respond to the increased usage.

16. The first two phases of the A38 Bromsgrove Route Enhancement Programme (BREP) are now completed. This included capacity improvements at Barley Mow Lane, Junction 4 of the M5 and J1 of the M42 as well as active travel improvements. An Outline Business Case (OBC) for future phases of BREP was submitted to the Department for Transport in November 2021, which supports the submission of a £49 million bid to the DfT to fund further highway capacity and active travel improvements.

17. In July 2021 the Council was one of the successful bidders to the Government's Natural Environment Investment Readiness Fund, securing £83,000 to invest in biodiversity improvements in the County, linked to the biodiversity net gain requirement arising from the Environment Act.

18. The Council's street lighting service is accelerating the roll out of LED lights and concrete column replacements. Over 50% of the County's street lighting is now LED, which contributes towards reducing carbon emissions and energy use.

19. EnviRecover, the County's Energy from Waste facility, continues to process waste produced by Worcestershire's households. The facility creates enough electricity to power 32,000 homes. In December 2021, the Cabinet agreed to extend the Waste Service Management Contract for 5 years (to 2029).

20. In response to the growing global concerns around Climate Change in 2019 this Council adopted the Government's national target to be net carbon neutral by 2050. We published our Net Zero Carbon Plan in October 2020. Last July the Council declared a climate emergency, vowing to continue our active and ambitious programme to reduce our organisation's environmental impact and work with partners across the County to tackle climate change together. We know there is much to do to achieve this aim, but we have been rising to this challenge for many years.

21. Since 2010 we have reduced the Council's own carbon emissions by 49%. This reduction has been achieved through measures such as:

- investment in energy efficiency and renewable energy, LED lighting in our streetlamps, biomass heating, solar PV and even water source cooling
- move from landfilling of household waste to disposal through Energy from Waste
- remote working and virtual meetings
- contraction of estate and fleet
- purchasing 100% renewable electricity for property and street lighting.

22. To date, our sustainability team has secured circa £26m external funding to support businesses, householders, public and community organisations in reducing their environmental impact and, in many cases, enabling them to save money.

23. Funding has been obtained to take forward advice and grant programmes supporting businesses, and now public sector organisations, to improve their energy efficiency and install renewable energy and improve biodiversity of their land. Since these programmes began, more than 600 Worcestershire organisations have been supported - achieving on average a 30% cut in energy consumption, installing circa 2 megawatts of renewable energy systems and saving more than 5000 tonnes CO₂ annually.

Children and Families

24. Our aim remains to ensure children and young people in Worcestershire receive a good quality and inclusive education, with support for children with additional needs, to enable all to achieve their potential. We support vulnerable children and their parents through early help and targeted family support, keeping families together and building on their strengths and resilience to respond to problems they face in their lives and to safeguard children from significant harm. Improving the education and skills of young people, who are our future workforce, has a key role to play in sustaining economic growth and creating higher skilled and better paid jobs. Though our role in education has changed, we continue to play a vital role in future school place planning and provision and Cabinet have now agreed to commence the programme to build a new secondary school in Worcester to meet the needs of our growing County.

We have continued to work on modelling the number of school places required across the County in different age ranges and catchment areas. This has led to revisions to policy to ensure we meet the needs and preferences of children and parents. Cabinet agreed to consult with stakeholders on the proposal for a co-ordinated change of age range to align schools in the

Pershore Education Planning Area to a single, two-tier (primary and secondary) system of education, with view to reporting back to Cabinet in February 2022.

We have continued to fulfil our duty to provide home to school travel, SEND assessment and specialist care and education provision and we continue to lobby for more resources for this area of Council activity.

In terms of current performance, 84% of children in Worcestershire are educated in good or outstanding schools. Our aim is for this to be even higher, however it should be noted that no routine Ofsted inspections were undertaken during the period March 2020 to July 2021 due to the pandemic.

Last year, over 90% of parents secured an offer at their first preference school for their child in 2020/21. GCSE exams did not take place because of the disruption to students' education caused by the pandemic. Instead, grades were determined by teachers, based on a range of evidence. These were known as teacher assessed grades. GCSE results by school in Worcestershire were not published in 2020/21 because schools had flexibility to assess in different ways and therefore GCSE exams results changes were not comparable school by school. Nationally there has been an increase in outcomes at the top grades and the stability at lower grades. Local feedback suggests a similar pattern in Worcestershire.

Turning to our work on protecting the most vulnerable children, we retain our vital duty to protect children from significant harm and our responsibility as Corporate Parents for children and young people in the care of the Council. The number of our looked after children in December was 889, or 74 per 10,000. The number subject to a child protection plan was 404, or 34 per 10,000. Demand at the front door through Contacts and Referrals remain high following COVID-19 which is consistent across the country. Our average caseloads for social workers have fluctuated through increased demand and workflow pressures during COVID-19, but staff report them to be manageable, with high level support received from management. This is reflected in our social work stability and permanency data at 90% for all social work posts and 98% for social work managerial posts, and this remains a significant strength.

We continue to be pleased with the progress made by Worcestershire Children First, our wholly owned company, in delivering Children's Services across Worcestershire. WCF has been in operation for almost 3 years and there continues to be a strong partnership and collective ownership between the Council and the Company in improving outcomes for children and young people. This was clearly evidenced by Ofsted in their July 2021 feedback meeting on their focussed visit into our Family Front Door services who concluded "Leaders have established a positive culture of commitment to continuous improvement across this service area, supported by particularly strong quality assurance arrangements" and the early help partnership is now well engaged in the delivery of services, and most schools in Worcestershire have an early help offer, bespoke to their needs. I am also delighted that the Department for Education in November 2021, confirmed their revocation of the Statutory Direction and their intervention has now ended. This is very positive news for children and families across the County and reflects our collective commitment across the Council to doing all we can to keep children and young people safe and improving outcomes for all children.

Health and Wellbeing

25. Public Health has continued to be at the forefront of the Council's response to, and management of, COVID-19 this last year. This has been defined by effective partnership working both within the Council, with our District colleagues, and with wider partners across the NHS, Public Health England (now the UKHSA) and the VCS. The outbreak response team, set up early in 2020, remains fully operational, working to reduce the impact of COVID-19 outbreaks in high-risk settings across the County, recognised as 'Gold Standard'. It continues to provide expert infection control advice and aid the implementation of National Government Guidance effectively at a local level. This has, in turn, reduced the impact of COVID-19 on businesses, supporting the local economy; reduced transmission in schools, working with Worcestershire Children First to sustain high quality education provision; and provided support to people experiencing homelessness or rough sleeping. The latter included COVID-19 vaccinations being prioritised, allowing 'at-risk' individuals to be protected. Vaccination uptake in Worcestershire, for children aged 16-17 has been the best in the Country. Public Health has worked with the NHS Clinical Commissioning Group (CCG), District colleagues and communities to support initiatives such as walk-in 'Grab a Jab' clinics, as well as mass sites such as The Artrix in Bromsgrove, St Peter's Baptist Church in Worcester and the Three Counties Showground in Malvern. These sites encourage those eligible to take up the offer and protect themselves and others, which is vitally important as the Omicron variant increases across the County. Booster uptake is progressing well, with over 75% of those eligible having received this vaccination (as at 22 December 2021), which is a nationally high position. The Contain Outbreak Management Fund (COMF) provides funding to help reduce the spread of COVID-19. The total available for Worcestershire, combining 2020/21 and 2021/22 allocation, is £15.9m. Spend has been allocated collaboratively with District Councils and wider partners. Whilst initially substantially for COVID-19 testing, as the pandemic continued this has been funded directly from the Department for Health and Social Care. Therefore, the Director of Public Health reallocated COMF resource to focus on acute response and reducing the impact of COVID-19 on communities. There will be a continued strong focus on prevention in the new Joint Health and Wellbeing Strategy (JHWS), due to be published Summer 2022. The overarching theme for the new document will be "Better mental health and emotional wellbeing", supported by healthy living at all stages in life, safe and healthy homes, and good jobs. An engagement programme has been established to reach out to our communities and better understand the wellbeing of Worcestershire's residents, to inform this strategy. The Health and Wellbeing Board is refreshing its purpose, as it shapes the new JHWS and to align with the development of the Integrated Care System (ICS). This statutory forum is key to bringing together multi-agency partners; political, clinical, professional and community leaders, to focus on health outcomes for our local population. The Board and its members are working to support the emerging governance arrangements and delivery structures of the ICS, which will formally take effect in April. Promoting independence is a key aim of our work in social care, as we know that people can live healthier and more fulfilling lives if they retain their independence. Our approach to promoting strengths based social work focuses on listening and connecting with people, to understand what really matters and work with people intensively, if they are in a crisis to help them regain control of their life. The evidence continues to demonstrate that people receive a significantly faster response and fewer people need on-going funded support.

26. Adults Mental Health Social Work teams transferred back to the County Council in April 2021. The Council has agreed funding arrangements with the Herefordshire and Worcestershire Clinical Commissioning Group (CCG) to support people, post a mental health crisis. This is for people with a Learning Disability and creates equity for those on a par with our Mental Health service users. The Council continues to work with the CCG to ensure clients with health needs who have a Continuing Health Care eligibility are funded in accordance with that need. Following an intensive review of Direct Payments, there has been a recent upturn of people in receipt of direct payments. Worcestershire is currently at 23% of its customers who access such a payment, against a target of 28% to put Worcestershire in line with England average of 27.9%. Supported Living placements have also continued to rise, moving from 651 in January 2021 to 689 in September 2021. The Community Reablement service went live in October 2020. This was to support people to avoid admissions to crisis care. However, this service was impacted by the pandemic, where resource to provide the universal offer was re-directed to support people going home, following a hospital stay. Despite that, when comparing 2020/21 results with Quarter One of 2021/22, 4% more people remained at home, following a period of reablement (up to 80% from 76%).

The Financial Outlook

27. I am pleased to say that despite yet another extraordinary year we have faced as a nation and County, this year we are projecting a broadly balanced budget. That is no small feat when you consider that in 2021/22 we have received over £51m of COVID-19 related grants, needed to support recovery activity and started to see latent impacts of the pandemic adversely affect our demand. Keeping track of that and completing Government returns has not been easy for the team but thanks to strong financial controls and reporting we have been able to ensure we have a full audit trail. We have worked closely with our public sector partners to ensure that grants such as the Winter Pressures Grant and the Household Support Fund were spent on those most needing support over the winter and other holidays. This has included spending £21m on the most vulnerable in our communities, £9m on testing, tracing, and support for outbreak control and £12m supporting the NHS with hospital discharges and on care. Putting all that in perspective, that means in 2021/22 we have spent the same on COVID-19 as we have spent on Economy and Infrastructure services. We have also been working alongside our District Councils and the Fire Authority to ensure that we will continue to operate a Business Rates Pool and, as a result of that joint work, we are forecasting to see an additional £3.5m retained in Worcestershire for 2021/22, and this is forecast to continue for the next financial year. At the same time, the Finance Team were able to close down the accounts with an unqualified opinion from our external auditors, Grant Thornton.

Whilst managing spend in 2021/22 we have been working hard to develop the 2022/23 revenue and capital budgets. Active financial management has enabled us to put forward proposals that see a Council Tax/Social Care Levy of 3.94%, that will see us remain in the lowest quartile amongst County Councils for our level of Council Tax. Yet at the same time we have protected services and ensured investment in our County's infrastructure, economy and environment.

Looking forward, we have seen Government announcements, through the Spending Round 2021 and draft Provisional Settlement, that we will receive extra funding for social care and a new Services Grant. The additional monies are a welcome reflection of the lobbying we have been undertaking alongside our CCN partners.

We look set to receive up to an additional £15m for Social Care and over £7.1 million for High Needs and SEND. This is a welcome acknowledgment by the Government of the pressure councils responsible for social care and higher needs face and, alongside the other proposed measures around Council Tax and continuing reform, means we have published a balanced draft budget for 2022/23.

Going forward, we will continue to lobby for a new Fairer Funding formula, expected now in 2022 for 2023/24, that reflects the key drivers of cost and adjusts the weighting for rurality and sparsity. This could help to ensure the sustainability of the services we deliver today for future years and will be a key focus of our lobbying efforts this year.

I would like to thank you for your partnership working during the last year, online and face to face, and I look forward to working with you going forward.

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