
Performance and Finance Scrutiny Committee

27 November 2023

End of September 2023 (Quarter 2) Performance and Resources Report – Focus for Scrutiny

Report by Director of Law and Assurance

Summary

The Quarterly Performance and Resources Report (PRR) is the Council's reporting mechanism for corporate performance, finance, savings delivery, risk and workforce. It has been designed to reflect the priorities, outcomes and measures included in the Council Plan. The report is available to each scrutiny committee on a quarterly basis and each committee will consider how it wishes to monitor and scrutinise performance relevant to their area of business.

The report (Annex B) reflects the position at the end of September 2023 and reports the Quarter 2 2023/24 position.

Of the 59 performance measures, 51% of measures are reporting as 'green', 14% as 'amber' and 25% as 'red'. 10% are new measure with no Red, Amber, Green (RAG) rating as yet.

The projected net outturn forecast for 2023/24 is a net £17.425m overspend, this is an increase of £5.546m from the position reported at the end of June.

The PRR also includes information which is specifically relevant to the portfolio responsibilities of the scrutiny committee including workforce. The workforce statistics (Appendix 6) provides quarterly information on Key Performance Indicators (KPIs).

The current Risk Register (Appendix 5) is included to give a holistic understanding of the Council's current performance reflecting the need to manage risk proactively.

The Cabinet in November will be asked to consider and comment on the Quarter 2 PRR and propose any specific action to be taken.

Focus for scrutiny

In reviewing the PRR (Annex B), the Committee's role is to monitor performance, finance and risk at a strategic level for its portfolio areas. Its focus should be on KPIs that are identified as red or amber as well as any budget variations.

Key lines of enquiry include:

- What is being done to address areas of under-performance (KPIs currently showing as red or amber)?

- The effectiveness of measures being taken to manage the revenue and capital budget position, specifically in relation to any budget variations, non-delivery of the capital programme or agreed savings
- Whether concerns raised previously by the committee have been addressed (Corporate Risk 11 controls and actions; recruitment and retention of key officers, cyber security, the Capital Programme, Economy Plan and climate change)
- Using the information on performance and finance does the service being delivered meet the objectives in the Council Plan and does it provide value for money?
- To assess key corporate risks set out in the Risk Register relating to the Committee's areas of responsibility and plans to mitigate these, particularly in relation to Corporate Risk 22 financial sustainability
- To identify any issues for further in-depth scrutiny for inclusion in the Committee's future work programme (where scrutiny may influence outcomes/add value)
- Identify any specific areas for action or response by the relevant Cabinet Member or for further scrutiny by one of the other scrutiny committees

The Chairman will summarise the output of the debate for consideration by the Committee.

1. Background and context

- 1.1 The Performance and Resources Report (PRR) is designed to be used by all scrutiny committees as the main source of the County Council's performance information.
- 1.2 Annex A – How to Read the Performance and Resources Report, provides some key highlights on the structure, content and a detailed matrix of the sections of the report which are expected to be reviewed by the different scrutiny committees.
- 1.3 The County Council is focused on delivering the four priorities as set out in Our Council Plan: keeping people safe from vulnerable situations, a sustainable and prosperous economy, helping people and communities fulfil their potential and making the best use of resources, all underpinned by tackling climate change. In the first quarter, the Key Performance Indicator (KPI) measures reported:
- 51% (30 measures) as 'Green'
 - 14% (8 measures) as 'Amber'
 - 25% (15 measures) as 'Red'
 - 10% (6 measures) are new and have no RAG rating as yet
- 1.4 The forecast outturn position for 2023/24 is a net £17.425m overspend. This is an increase of £5.546m since the end of June. It should be noted that the in-year Contingency Budget of £13.008m will not cover the current overspend position. All services are considering in-year mitigations to reduce

the overspend figure. The greatest pressure is within the Children and Young People, Learning and Skills service area.

- 1.5 Financial issues identified include the Service challenges outlined below:
- Growing demand and complexity of need in adults and children's social care,
 - Increases in the cost of adult lifelong services provision,
 - The growing need for and cost of external placements for children,
 - The continued necessity to use unregistered placements for children,
 - The rising numbers of children requiring high needs education,
 - Continuing inflation pressures on goods and services,
 - The delays in achieving savings and the need to re-profile some,
 - Recruitment and retention issues within the workforce.
- 1.6 Members should note that there is an increase in the overspend reported for the Finance and Property portfolio area due to pressures in the rental income and corporate estates reactive maintenance and repairs budget.
- 1.7 The 2023/24 savings target across all portfolios is £9.6m. In addition, there remains £17.2m of previous years savings which needed to be re-profiled. The overall savings to be achieved in 2023/24 is therefore £26.8m. Of these savings £8.3m (31%) are considered to be at risk with no expectation of delivery in year. This is reflected in the forecast outturn position. The greatest pressure is within the Adult Services area, see Table 5 for details.
- 1.8 The impact of increasing costs within the capital programme continues to be monitored on a project by project basis. The forecast spend on the Capital Programme for 2023/24 is currently £118m, £4m less than reported at the end of June. Table 7 in the report details the capital projects which have a red rated delivery status.
- 1.9 Information in relation to corporate risks is included in Appendix 5. There are currently 4 risks rated as high; cyber security, financial sustainability, recruitment and retention and the sustainability of the adult social care market.
- 1.10 Of the 12 workforce KPIs, 7 are on track 'Green' and 5 are at risk 'Amber'. There are 2 additional Amber rated KPIs since the end of June report which relate to the latest Pulse Survey responses, see paragraph 57 and Appendix 6 for details.
- 1.11 The background and context to this item for scrutiny are set out in the attached appendices (listed below). As it is a report dealing with internal or procedural matters only the Equality, Human Rights, Social Value, Sustainability, and Crime and Disorder Reduction Assessments are not required.

Tony Kershaw

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Sections and Appendices

Annex A – How to Read the Performance and Resources Report

Annex B – Performance and Resources Report – September 2023

- Section 1: Adults Services Portfolio – Summary
- Section 2: Children and Young People, Learning and Skills Portfolio – Summary
- Section 3: Community Support, Fire and Rescue Portfolio - Summary
- Section 4: Environment and Climate Change Portfolio - Summary
- Section 5: Finance and Property Portfolio - Summary
- Section 6: Highways and Transport Portfolio - Summary
- Section 7: Leader Portfolio (including Economy) - Summary
- Section 8: Public Health and Wellbeing Portfolio - Summary
- Section 9: Support Services and Economic Development Portfolio

Appendix 1: Performance By Priority - KPI Summary Table

Appendix 2: Revenue Budget Monitor to the end of September 2023

Appendix 3: Revenue Portfolio Grant Listing - As At September 2023

Appendix 4: 2023-2024 Capital Monitor as at the end of September 2023

Appendix 5: Corporate Risk Register Summary - September 2023

Appendix 6: Workforce Information – Quarter 2 2023/24

Background Papers

None