

Report to Cabinet

1 October 2024

Performance and Resources Report – Q1 2024/25

Report by the Chief Executive and Interim Director of Finance and Support Services

Electoral divisions: All

Summary

The Q1 Performance and Resources Report (PRR) (**Annex B**) provides an overview of Council performance for the first quarter of 2024/25. A summary is followed by portfolio sections covering performance, finance, risk and workforce to show how the Council is delivering its four priorities including its overarching theme of protecting the environment.

Annex A – explains the structure of the PRR and includes a table to show which sections of the report are presented to the different scrutiny committees.

Recommendations

Cabinet is invited to: -

- (1) Consider and comment on the Q1 Performance and Resources Report and in particular the financial challenges set out in paragraphs 1.4 - 1.18.
- (2) Propose any specific areas for action following such consideration and any scrutiny feedback or comments.
- (3) Agree the proposed changes to the KPI measures detailed in Table 1.

Proposal

1 Background and context

- 1.1 The PRR provides an overview of performance across the County Council during the first quarter of 2024/25.
- 1.2 There are currently 61 Performance Measures reported in 2024/25. A summary of the Q1 RAG status of these measures are as follows:

- 35% (21 of 61) – On Target (Green),
- 21% (13 of 61) – Close to Target (Amber),

- 26% (16 of 61) – Not on Target (Red).
- 18% (11 of 61) – No Current RAG Status.

1.3 Key performance indicators are regularly reviewed and it is proposed that the following targets and measures are revised to improve reporting and objectives.

Table 1 – Proposed Changes to KPI Measures for 2024/25

KPI	Measure	2024/25 Revision Target/ Amendments	Reason for Updated Measure/ Target
1	Percentage of re-referrals to Childrens Social Care within 12 months of the previous referral.	22% <i>Aim low measure</i>	There has been a steady improvement over recent months with results nearer 20%. Proposed target revision to 22% will align with most recent national average on this metric.
2	Number of successful family outcomes that meet MHCLG targets.	1,283 families <i>Aim high measure</i>	MHCLG have increased the number of families it expects the County Council to support from 1,037 to 1,283.
8	Percentage of young people aged 19 – 21 who were looked after aged 16 and were in higher education	6% <i>Aim high measure</i>	It is proposed that this 2024/25 target is set to 6% to be in-line with statistical neighbours.
59	Number of New Pupil places created from the Schools Capital Programme to meet Basic Need and SEND.	24 <i>Aim high measure</i>	It is proposed that the target will now specifically report the new pupil places that are created from capital projects funded and delivered by the County Council to add extra net physical capacity to schools in the county.
33	Use of virtual/digital library services by residence	8.8 million <i>Aim high measure</i>	It is proposed that this KPI target is amended from 5.45m to 8.8m. Data shows increasing digital service usage from 5.8m in 2021/22, 6.3m in 2022/23, and 7.9m in 2023/24. Despite eBook market uncertainties, continued growth in digital service reach is now anticipated, and therefore a 10% growth in numbers has been assumed in the new target.
23	Household waste recycled, reuse or composted (CC)	50% <i>Aim high measure</i>	It is proposed that this KPI is amended to reduce the existing target from 57% to 50% in 2024/25 to take into account the impact on recycling whilst the reconfiguration of the County Council's disposal plant takes place. This update will also better reflect the delays which have occurred in introducing new policies and legislation, which as they come into force over the coming years, will affect the recycling rate.

KPI	Measure	2024/25 Revision Target/ Amendments	Reason for Updated Measure/ Target
50	Value for Money Indicator	Replace measure with alternative process to inform on Value for Money.	After reviewing the aim of the measure and what could be reported in place of the previous LG Futures data, which is no longer available, it is proposed that this KPI measure is removed from the Council Plan and replaced with an annual Value for Money Benchmarking Report which would be considered by Cabinet annually.
55	Chlamydia – proportion of females aged 15 – 24 screened	Change in measure to align to national data reporting and targets. <i>Aim high measure</i>	It is proposed that this KPI is amended due to a change in the national indicator within the Sexual and Reproductive Health Profiles. The Office for Health Improvement and Disparities (OHID) data set, focuses on the proportion of females screened rather than all persons.

- 1.4 The forecast revenue outturn position for 2024/25, as at the end of June, is an overspend on services of £23.290m, however **a net £22.810m overspend is reported corporately** after additional income from non-service budgets are factored into the position. This represents an overspend of 3% of the overall budget.
- 1.5 A balanced budget could be achieved by allocating the centrally held Corporate Contingency Budgets, however it is likely that further unforeseen pressures will occur during the year, therefore funding should be conserved where possible.
- 1.6 All services are identifying mitigations and management actions in-year. Any overspend at the year-end after such action will need to be funded through the Corporate Contingency Budget which currently stands, after commitments, at £23.4m.
- 1.7 **Financial risks, issues and challenges** include:
- Growing demand and complexity of need in adults and children’s social care.
 - Increases in the cost and the cohort of adult lifelong services provision.
 - The backlog in adult social care financial assessments and data processing.
 - The growing need for and the cost of external placements for children.
 - The continued necessity to use unregistered placements for children.
 - The rising numbers of children requiring high needs education.
 - Loss of Service Level Agreement (SLA) income due to school academisation.
 - Delays in achieving savings.

- 1.8 **Adults Services is projecting a £12.8m overspend, with a risk that this projection may increase further.** Demand pressures in Older People and Lifelong Services, alongside the processing of backlogs and difficulties in delivering all planned savings on time have led to the current position.
- 1.9 The **Children and Young People, Learning and Skill's Portfolio is projecting a £8.4m overspend.** Increasing complexity of children's needs and the cost associated with Children We Care For placements continues to be the main factor. A continued growth in Home to School Transport pupil numbers alongside increasing contract prices are driving an overspend in this service.
- 1.10 The **Dedicated Schools Grant (DSG) Unusable Reserve** is currently reporting a £71.6m deficit, with a further £58.2m projected overspend in 2024/25. This will increase the **reserve deficit to £129.8m** by the end of the financial year. This has direct financial implications for the Council including the lost investment income opportunity.
- 1.11 An overspend of £0.610m is reported within the **Environment and Climate Change Portfolio** due to the additional costs associated with the disposal of persistent organic pollutants (POPs) within Waste Services and additional costs incurred by Planning Services on national significant infrastructure projects.
- 1.12 The **Finance and Property Portfolio** is projecting a £0.920m overspend due to additional property reactive maintenance works and the loss of facility maintenance school buy-back services.
- 1.13 The **Highways and Transport Portfolio** is projecting a £0.3m underspend due to additional vehicle and IT system costs and non-delivery of Street Works Enforcement savings offset by a reduction in energy prices and lower contract inflation within the Street Lighting PFI. It should be noted that the Highways Maintenance budget has been allocated additional investment of £4m in 2024/25 to enable the repair of more potholes and proactive drainage and jetting works.
- 1.14 Further funding has also been agreed to manage the likely deterioration of the road network over the coming winter period. It is anticipated that the extra costs for this resource requirement will be able to be met within the Highways and Transport Portfolio.
- 1.15 The **Leader** and **Public Health and Wellbeing Portfolios** are reporting a small variation or balanced budget.
- 1.16 An overspend of £0.520m is reported within the **Support Services and Economic Development Portfolio** due to a reduction in school buy-back for HR services and the cost of the assimilation of staff from the Capita contract insourcing.
- 1.17 The 2024/25 savings target across all portfolios is £15.7m. In addition, there remains £10.7m of previous years savings which needed to be re-profiled. The overall **savings to be achieved in 2024/25 is £26.4m.**

1.18 Of the total £26.4m savings:

- £12.0m (46%) is as delivered or on track and has either been delivered as originally envisaged or in a different way,
- £10.9m (41%) is judged as at risk where further work is required and, if not achieved, the projected overspend will increase, and
- £3.5m (13%) is judged as at significant risk with no expectation of delivery in year and reflected in the forecast outturn.

1.19 The approved 2024/25 **Capital Programme** totals £131.6m. During 2023/24, £0.9m originally profiled to be spent in 2024/25 was accelerated into 2023/24, which led to the revision for 2024/25 down to £130.7m.

1.20 There is one update to the **Corporate Risk Register** since the last quarter:

Risk No	Risk	Action	Previous Score	Current Score
CR58	Failure of Social Care Provision	Risk severity reduced – progress of mitigations and confidence in stability of providers.	15	12

1.21 The latest information on Risk is available within the PRR (**Appendix 5**). Full details of actions and mitigations are included within the latest Risk Register (as at July 2024), which is available under the County Council's [Regulation, Audit and Accounts Committee Agenda](#) website.

1.22 Of the **12 Workforce Key Performance Indicators**, six are 'On Track - Green' and six are 'At Risk - Amber'.

1.23 The 'Amber' measures are set out below and more detail on specific measures is available in **Appendix 6**:

- Percentage of Leadership Group positions filled by permanent County Council employees.
- Percentage positive response to the Pulse Survey question: "I have regular meaningful conversations with my manager about my performance, wellbeing and support needs".
- Percentage positive response to the Pulse Survey question: "I am part of a supportive team where we regularly reflect on our successes and challenges enabling us to continuously improve".
- Percentage positive response to the Pulse Survey question: "My ideas and opinions are valued and are used to help shape the way we work and our future planning".
- Rolling 12-month average number of calendar days lost due to sickness absence per FTE.
- Disclosure rate for self-declaration of an employee's: disability; sexual orientation; race/ethnicity; religion.

2 Proposal details

- 2.1 Cabinet is invited to note the overall financial outturn forecast and to review the Q1 Performance and Resources Report including the detailed performance data in the individual portfolio sections. The recommendations are set out above.

3 Other options considered (and reasons for not proposing)

- 3.1 The rationale for the proposed changes to listed KPIs is set out above.

4 Consultation, engagement and advice

- 4.1 The Executive Leadership Team and Cabinet Members have been consulted.
- 4.2 Scrutiny committees review their sections of the Performance and Resources Report quarterly, with the Performance and Finance Scrutiny Committee considering the whole document.
- 4.3 Committees have had the opportunity to make recommendations to the relevant Cabinet Member and/or refer issues to other scrutiny committees as appropriate.
- 4.4 Scrutiny committees have also reviewed proposed KPI amendments detailed within this report and have provided feedback and comments to Cabinet Members where appropriate.

5 Finance and Risk implications and mitigations

- 5.1 Financial implications and a summary of corporate risk are set out in the Performance and Resources Report.

6 Policy alignment and compliance

- 6.1 The Performance and Resources Report helps the governance of the Council, ensuring transparency in its reporting arrangements and enabling scrutiny by members and the public.

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Annexes to the Cabinet Report

Annex A – How to Read the Performance and Resources Report
Annex B – Performance and Resources Report – Q1 2024/25

Background papers

None