

Report to Cabinet

23 March 2021

Quarterly Performance Monitor – December 2020

Report by the Director of Finance and Support Services

Electoral divisions: All

Summary

The attached Quarterly Performance Monitor (QPM) provides an overview of performance across the County Council for the third quarter of 2020/21. It gives information from a range of perspectives including financial, key performance indicators, workforce and risk management; all of which is reported on an outturn forecast basis.

The financial forecasts include the costs from the Covid-19 pandemic offset by the additional grants announced by the Government. The full impact of the pandemic on the council's finances for 2020/21 and future years remains uncertain, and projections will be updated as the demand on council services, council tax base and funding become known.

Overall, the County Council is projecting a £0.296m underspend in this financial year for both the impact of the Covid-19 pandemic and business as usual activities, this is a decrease of £5.776m from the overspend reported at the end of September. This decrease is largely due to additional income received in relation to the pandemic.

The overall projection excludes the estimated £20m loss of business rates and council tax receipts for 2020/21 as the Government are allowing councils to repay deficits over the next three years. The estimated £20m repayment is included within the Medium-Term Financial Plan for 2021/22 to 2023/24.

Of the 47 performance measures currently reported, 66% of measures are reporting as 'green', 21% as 'amber' and 13% as 'red'.

The QPM report includes an update on the Children First and Fire and Rescue Improvement Plans, the latest Risk Register and the quarterly Workforce Indicators.

Recommendations

- (1) To note the overall projected underspend position for 2020/21.

- (2) To note the other performance information in the QPM including the Performance Indicators, Workforce Key Performance Indicators and the Corporate Risk Register.
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Proposal

1 Background and context

- 1.1 The attached Quarterly Performance Report (QPM) provides an overview of performance across West Sussex County Council for the third quarter of 2020/21. It brings together information from a range of perspectives including financial, key performance indicators, workforce and risk management all of which is reported on an outturn forecast basis.

2 Proposed detail

- 2.1 The overall net forecast outturn position for 2020/21 is projecting a £0.296m underspend, a decrease of £5.776m when compared to the September QPM position. A £0.674m underspend is currently reported on normal County Council service budgets and £0.378m is the estimated shortfall between the cost of the pandemic and the funding supplied from Central Government.
- 2.2 Since the budget was approved in February 2020, the council has needed to deal with the effect of the pandemic significantly changing its priorities and impacting on planned activities as well as the mounting financial challenge.
- 2.3 Currently, the council is expected to incur £83.8m of costs beyond those anticipated in the February 2020 budget due to the Covid-19 pandemic, with additional grants and other income from partners contributing towards £83.5m of funding. Additional costs relating to infection control will be funded through other specific ring-fenced grants.
- 2.4 The on-going impact on council's finances is not known and will be dependent on the time it takes for the economy to recover. The impact on employment for residents and on the demand for council services will be a major factor, particularly in relation for demand-led services such as adults requiring care and children and families in need of support.
- 2.5 As previously reported, some performance indicators set out in the West Sussex Plan 2017-2022 will not be met because of the pandemic. The 67 measures of success contained within the West Sussex Plan have been categorised into 'active', 'amend' or 'suspended' groupings. Of the remaining 47 'active' performance measures, 66% of measures are reporting as 'green', 21% as 'amber' and 13% as 'red'.
- 2.6 In the September QPM, it was reported that short-term sickness absence had been lower since the start of the first government restrictions in March 2020 with the ability for many staff to work from home. In this quarter, the number of days lost to short-term sickness absence has increased and is now at a similar level of sickness experienced in the third quarter of 2019.

3 Other options considered (and reasons for not proposing)

- 3.1 The Performance Indicators could have remained consistent with previous years and not reflected the impact of the pandemic or service changes; however, this option would not reflect the council's performance in the current environment.

4 Consultation, engagement and advice

- 4.1 The Quarterly Performance Monitor is reviewed by the Executive Leadership Team (ELT) to ensure performance is understood and action is undertaken to drive improvements as required.
- 4.2 The Performance and Finance Scrutiny Committee review the QPM quarterly and makes recommendations to the relevant Cabinet Member and/or refers to other scrutiny committees as appropriate.

5 Finance

- 5.1 The financial impact is set out in the Quarterly Performance Monitor Report.

6 Risk implications and mitigations

- 6.1 The Corporate Risk Register is included within the Quarterly Performance Monitor reflecting the key risks facing the council and the planned action to mitigate the risks where possible.

7 Policy alignment and compliance

- 7.1 Reporting on the council activities through the Quarterly Performance Monitor to Cabinet is part of the governance of the council, ensuring transparency in its reporting arrangements, enabling scrutiny by members and the public.

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Appendices

Appendix A – Quarterly Performance Monitor – Quarter Three
Appendix 1 – Revenue and Reserves Budget Monitor – December 2020
Appendix 2 – Covid-19 Grants Allocated to West Sussex – January 2021
Appendix 3 – Savings Monitor – December 2020
Appendix 4 – Children First Improvement Plan – December 2020
Appendix 5 – Fire Improvement Plan – December 2020
Appendix 6 – Capital Budget Monitor – December 2020
Appendix 7 – Workforce Key Performance Indicator's – December 2020
Appendix 8 – Corporate Risk Register – February 2021

Background papers

None.