
Report to Performance and Finance Scrutiny Committee

11 March 2022

End of December 2021 (Quarter 3) Quarterly 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 and workforce. It has been designed to reflect the priorities, outcomes and measures included in Our 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 December 2021 and is the third document in the new reporting style.

Of the 53 performance measures, 54% of measures are reporting as 'green', 21% as 'amber' and 23% as 'red'. 2% have no rating currently attached to them as no data is available.

The projected outturn forecast for 2021/22 is a £0.559m overspend, a reduction of £0.827m when compared to the September position.

The PRR also includes information which is specifically relevant to the portfolio responsibilities of the scrutiny committee including service transformation and workforce. The service transformation section (Appendix 3) includes up-dates on the key projects currently being managed and the workforce statistics, (Appendix 6) provides quarterly information on 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 meeting on 15th March will approve the Quarter 3 Performance and Resources Report.

Focus for scrutiny

The Committee is asked to consider the PRR (the Annex report attached). Areas for scrutiny include:

- Whether the report addresses the concerns raised at the December meeting of the Committee, including expanding the information content for the service transformation projects (benefit realisation and efficiencies to be achieved);

- The continuing impact of the Covid-19 emergency situation on the Council's performance and financial resilience;
- Identify any areas of concern within the committee's portfolio responsibilities relating to the 2021/22 performance indicators and any measures required to address these
- To review the Risk Register and assess plans in place to mitigate key corporate risks;
- The effectiveness of measures taken to manage the Council's financial position and any non-delivery of identified savings;
- Any areas of concern in relation to the workforce indicators;
- Using all the information presented to the committee, identify any issues needing further in-depth scrutiny relevant to the Committee's portfolio area of responsibility (where there are outcomes scrutiny may influence/add value);
- Identification of:
 - a) Any specific areas for action or response by the relevant Cabinet Member;
 - b) Any issues for further scrutiny by one of the other scrutiny committees as appropriate.

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 third quarter, the measures reported:
 - 54% (29 measures) as 'Green'
 - 21% (11 measures) as 'Amber'
 - 23% (12 measures) as 'Red'
 - 2% (1 measure) is reported as having no RAG status, due to being unable to assess the current status.
- 1.4 During the autumn, the council has continued to respond to the Covid-19 pandemic with the impact expected to continue into 2022/23. £9.9m of non-ringfenced grant is currently unallocated in 2021/22.

- 1.5 The **forecast outturn position** for 2021/22 is currently projecting a £0.559m overspend. This projection assumes that all in-year costs related to Covid-19 will be fully funded from grants and partner contributions.
- 1.6 Pay inflation has been recognised by the committee previously as a key risk. A pay contingency budget has been set up to fund a 1% pay award in 2021/22. The 1.75% NJC pay award increase currently proposed is estimated to need an extra £1.6m from the General Contingency budget.
- 1.7 The main **financial risks** from across the portfolios include:
- Uncertainty in demand for services in adults and children,
 - Continued increases in the cost of older people care packages,
 - The mix between internal and external placements for children,
 - The rising numbers of children requiring home to school transport,
 - The rising numbers of children requiring high needs education,
 - The non-delivery and delays of savings (currently £7.9m of savings are judged to be red rated (no expectation of delivery this year)).
- 1.8 The impact of increasing costs within the **capital programme** continues to be monitored on a project-by project basis. The availability of materials and labour remains a significant risk for our capital programme and our project teams are working closely with contractors to anticipate problems before they arise. Any increase in budgets will need to be met through reprioritising existing approved pipeline projects.
- 1.9 In relation to **corporate risks**, here are three corporate risks with severity above the tolerance threshold:
- CR39a – Cyber-security.
 - CR58 – Failure of social care provisions.
 - CR72 – Unregistered care homes – children and young people will not be cared for in settings that best meet their needs.
- 1.10 There are two new risks included on the Register; children accommodated in unregulated placements and climate change commitments. Details can be found in Appendix 5.
- 1.11 Nine of the **Workforce Key Performance Indicators** are rated 'Green'. Two indicators relating to sickness absence are amber rated and the red rated KPI relates to the employee disclosure rate for equality (Appendix 6).
- 1.12 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.

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Appendices

Annex A – How to Read the Performance and Resources Report

Annex B – Performance and Resources Report – Q3 2021/22

Section 1: Adults Services Portfolio

Section 2: Children and Young People Portfolio

Section 3: Learning and Skills Portfolio

Section 4: Community Support, Fire and Rescue Portfolio

Section 5: Environment and Climate Change Portfolio

Section 6: Finance and Property Portfolio

Section 7: Highways and Transport Portfolio

Section 8: Leader (including Economy) Portfolio

Section 9: Public Health and Wellbeing Portfolio

Section 10: Support Services and Economic Development Portfolio

Appendix 1: Revenue Budget Monitor and Reserves

Appendix 2: Covid-19 Summary

Appendix 3: Service Transformation

Appendix 4: Capital Monitor

Appendix 5: Corporate Risk Register Summary

Appendix 6: Workforce

Background Papers

None