
Report to Performance and Finance Scrutiny Committee

10 March 2023

End of December 2022 (Quarter 3) 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 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 2022 and reports the Quarter 3 2022/23 position.

Of the 52 performance measures, 54% of measures are reporting as 'green', 25% as 'amber' and 21% as 'red'. The number of red rated KPIs has increased since the quarter 2 PRR.

The projected outturn forecast for 2022/23 is a net £7.141m overspend. This is a reduction of £2.349m since the quarter 2 report.

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 2) includes updates on the key projects currently being managed and the workforce statistics (Appendix 5) provides quarterly information on Key Performance Indicators (KPIs).

The current Risk Register (Appendix 4) is included to give a holistic understanding of the Council's current performance reflecting the need to manage risk proactively.

The Cabinet meeting on 14 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). Key lines of enquiry for scrutiny include:

- Whether the report provides all the information necessary to enable effective and efficient scrutiny and addresses the concerns raised at previous meetings of the Committee; the additional workforce information requested and

Corporate Risk 11 controls and actions; recruitment and retention of key officers.

- Assess the performance indicators and measures identified as most critical to the focus of the committee and whether the narrative provides assurance about the position presented and likely outcomes. Issues recognised previously by the committee as priorities to monitor include cyber security, the Capital Programme, Economy Plan, climate change and staff recruitment
- The continuing impact of the Covid-19 emergency situation on the Council's performance and financial resilience
- Identify any areas of concern in relation to the Risk Register and assess plans in place to mitigate key corporate risks, particularly in relation to Corporate Risk 22 financial sustainability
- 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% (28 measures) as 'Green'
 - 25% (13 measures) as 'Amber'
 - 21% (11 measures) as 'Red'
- 1.4 The **forecast outturn position** for 2022/23 is a £7.141m overspend. The contingency budget held for 2022/23 is £9.156m to assist with unplanned

pressures. There is also an Inflation Contingency Reserve of £4.969m. The Cabinet will be asked to draw down £4.409m from the Contingency budget to fund the agreed pay awards.

- 1.5 The report highlights the non-delivery and delay in achieving the **savings target**. There are £23.4m savings to be achieved in 2022/23 which includes £12.4m undelivered savings from 2020/21 and 2021/22. £10.1m of the target is judged to be red rated with no expectation of delivery. This has been reflected in the outturn position forecast.
- 1.6 The impact of increasing costs within the **capital programme** continues to be monitored on a project-by project basis. The approved Capital Programme for 2022/23 is currently £113m. The profiled spend for 2022/23 has increased by £19.5m to £132.5m.
- 1.7 In relation to **corporate risks**, there have been no changes to the scores since the quarter 2 report. There are therefore 4 corporate risks with severity above the tolerance threshold, more detail can be found in Appendix 4.
- 1.8 Nine of the twelve **Workforce Key Performance Indicators** are rated 'Green', two are 'Amber' and 1 is 'Red' rated (Appendix 5). The amber rated KPIs are the number of new apprentice starters and the calendar days lost due to sickness. The red rated KPI is in relation to the self-declaration disclosure rate.
- 1.9 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 – December 2022

Section 1: Adults Services Portfolio – Summary

Section 2: Children and Young People Portfolio – Summary

Section 3: Learning and Skills Portfolio - Summary

Section 4: Community Support, Fire and Rescue Portfolio – Summary

Section 5: Environment and Climate Change Portfolio – Summary
Section 6: Finance and Property Portfolio - Summary
Section 7: Highways and Transport Portfolio - Summary
Section 8: Leader Portfolio (including Economy) - Summary
Section 9: Public Health and Wellbeing Portfolio - Summary
Section 10: Support Services and Economic Development Portfolio -
Summary

Appendix 1: Revenue Budget Monitor and Reserves

Appendix 2: Service Transformation and Flexible Use of Capital
Receipts Summary

Appendix 3: 2022/23 Capital Monitor

Appendix 4: Corporate Risk Register Summary

Appendix 5: Workforce Information

Background Papers

None