

Local Members Interest
N/A

Corporate Overview and Scrutiny Committee - Tuesday 02 August 2022

Integrated Performance Report – Quarter 1, 2022/23

Recommendation(s)

I recommend that:

- a. Committee Members note and challenge performance and advise of any further information and/or action required.

Report of Leader of the Council and the Cabinet Member for Finance

Summary

What is the Overview and Scrutiny Committee being asked to do and why?

1. This quarterly Integrated Performance Report provides an overview of Staffordshire County Council's progress, performance, and financial position in delivering against our Strategic Plan and Delivery Plan.
2. We recommend that Corporate Overview and Scrutiny Committee notes and challenges performance and advises of any further information and/or action required.

Report

Background

3. The Integrated Performance report is considered by Corporate Overview and Scrutiny Committee on a quarterly basis.

Cabinet Meeting on Wednesday 20 July 2022

Integrated Performance Report - Quarter 1, 2022/23



Cllr Alan White, Leader of the Council said,

“Creating the right conditions for businesses and our economy to grow and thrive remains a priority for the county council. Supporting businesses to create better quality jobs helps improve people’s financial security, especially at a time when living and energy costs are on the increase.

“We continue to do and spend what is necessary to support those who need us most, however, the rising demand and cost of social care for adults and children continues, and we face challenges alongside our residents in dealing with increasing inflationary pressures.

“To help with the pressures in health and social care, an extra £19.25 million has been allocated through the Better Care Fund (BCF), to help people remain in their homes and communities for longer. This is on top of the £123 million BCF, which is used by the council and local NHS to help people needing health and social care.

“The transformation of our Children’s services continues, with improvements in multi-agency working and processes however, challenges remain in relation to increasing demand, market availability of children in care placements, workforce capacity and recruitment of social workers. An Ofsted focussed visit in relation to Children in Need and Child Protection was also carried out in quarter 1 which found that interventions are having a positive impact on children’s lives and keeping families together.

“The current Warmer Homes scheme has been extended to Quarter 2 and continues to provide significant benefits to residents, especially given the rising price of energy. As of 8th June 2022, 528 households had benefitted. While over 2,300 people had received support from ‘Beat the Cold’.

“Despite the pressures facing councils like ours, we will invest to keep growing the county in a sustainable way to make a positive difference in the lives of our residents. We want Staffordshire people to enjoy a better quality of life, in thriving communities, and live longer in good health.”



Cllr Ian Parry, Cabinet Member for Finance and Resources said,

“All council departments continue to deliver against their priorities, whilst progressing with activities in the organisation’s delivery plan.

“Good progress has been made across the organisation during Quarter 1, however inflationary pressures across the organisation are having a significant impact. In addition, workforce capacity and recruitment, and demand challenges remain, particularly within Health and Care and Families and

Communities.

“The latest revenue forecast outturn shows an overspend of £14.693m (2.76%). Inflationary pressures are forecast to be in the region of £50-70m in the current and future years and we continue to monitor the situation carefully.

“Like many local authorities, we still face financial challenges, but we continue to keep our finances in as strong a position as possible. Well managed finances ensures that we provide good value for money for local taxpayers and means we can continue to invest in our future and growing our economy.”

Report Summary

This quarterly Integrated Performance Report provides an overview of Staffordshire County Council’s progress, performance, and financial position in delivering against our Strategic Plan and Delivery Plan.

Recommendation

We recommend that Cabinet:

- a. Notes and challenges performance and advises of any further information and/or action required.
- b. Approve the allocation of £6m from the Contingency budget to mitigate the pressures in Children’s Services and the allocation of £5.050m from the inflation reserve to mitigate pressures caused by increasing prices.
- c. Further to the investment in Highways agreed in February as part of the MTFS, that an additional £1m is allocated to the service on an ongoing basis, to be funded from interest earned.

Local Members Interest
N/A

Cabinet – Wednesday 20 July 2022

Integrated Performance Report - Quarter 1, 2022/23

Recommendation of the Leader of the Council and Cabinet Member for Finance and Resources

We recommend that Cabinet:

- a. Notes and challenges performance and advises of any further information and/or action required.
- b. Approve the allocation of £6m from the Contingency budget to mitigate the pressures in Children’s Services and the allocation of £5.050m from the inflation reserve to mitigate pressures caused by increasing prices.
- c. Further to the investment in Highways agreed in February as part of the MTFs, that an additional £1m is allocated to the service on an ongoing basis, to be funded from interest earned.

Report of the Director for Corporate Services

Reasons for Recommendations

This is an opportunity for Cabinet to consider and discuss Staffordshire County Council’s quarterly performance and finance position.



Quarter 1 Summary

Performance ratings for the individual service areas across the council are as follows:

Service Area	Delivery	Finance
Health & Care	A	G
Families & Communities	A	R
Economy, Infrastructure & Skills	G	A
Corporate Services	G	G

Key highlights

- £5.9m approved from Sustainable Warmth Competition.
- Over 27,000 people and 1,400 households supported through Household Support Fund, with further help available this summer.
- Ofsted visit in relation to Children in Need and Child Protection highlighted areas of strength.
- Good progress made with Highways Transformation; further £1m investment to be agreed.
- Staffordshire Means Back to Business Programme continues to succeed; Ignite programme for Staffordshire's students exceeded its targets.
- Household Waste Recycling Centres successfully transferred back to the council.
- Staffordshire Day held at House of Commons in April.

Key challenges

- Inflationary pressures across the organisation, particularly in Highways and Transport.
- Substantial risk that Adult Social Care Reform is unaffordable and will exceed funding available and require significant resources to implement. Plans to lobby and recruit additional posts.
- Overall demand remains high in adult social care, notably for safeguarding. Prioritisation and recruitment underway to address this.
- Continued pressures relating to the cost, number and complexity of Child Protection & Children in Care.
- Decline in Education, Health and Care Plan timeliness.
- Workforce capacity and recruitment challenges remain, most notably within Health and Care and Families and Communities.

Further details of the above can be found in the main report and accompanying appendices.

1. Summary

This report provides an update on Quarter 1 activities for each service area: Health and Care; Families and Communities; Economy, Infrastructure and Skills; and Corporate Services.

Significant progress has been made across the organisation during Quarter 1, however inflationary pressures across the organisation are having a significant impact. In addition, workforce capacity and recruitment, and demand challenges remain, particularly within Health and Care and Families and Communities. There also continues to be areas of financial risk in Adult Social Care and Families and Communities, with further details included within this report and its appendices.

The latest revenue forecast outturn shows an overspend of £14.693m (2.76%). Following the allocation of one-off funding this reduces to an overspend of £3.643m (0.61%). Inflationary pressures are forecast to be in the region of £50-70m in the current and future years and the situation is being monitored carefully and will be updated in future quarterly reports.

2. Health and Care

Delivery Performance Assessment	Finance Performance Assessment
AMBER	GREEN

3. Progress has been made during Quarter 1 to deliver the Health and Care elements of the Corporate Delivery Plan; however, there are challenges in relation to social care demand and the recruitment and retention of staff. Due to these ongoing challenges, alongside the implementation of significant national Adult Social Care Reform, the overall Delivery rating for Health and Care is Amber. The Finance rating is Green.



4. Adult Social Care (ASC) Reform, the Government's plan to implement the fair cost of care and the lifetime cap on care costs, remains a key risk for the county council. Like all other local authorities, significant resource will be required to implement the necessary changes by April 2023 and there is a high risk that the cost of these national reforms will exceed funding available. The council is exploring the need to recruit additional resources to implement the changes.

5. In Adult Social Care, demand continues to be high for assessments and safeguarding. Total work in progress for safeguarding in April 2022 increased to 918, compared to 645 in March and is considerably higher

than the target of 300. Two new staff members have been recruited and this situation will continue to be monitored.

6. Care in the home demand also remained high in Quarter 1 and there continue to be staffing recruitment and retention issues. The rise in demand for homecare since the lifting of Covid restrictions had led to some delays for people waiting for a maintenance package of care. However, there has been a reduction in unmet need over the last 6 months, reducing from c.3,000 hours in January 2022, to c.2,200 hours in June 2022.
7. Brokerage referrals in May 2022 were the highest on record for demand across all service types, including an increase in home first and community referrals (where there is either no current care or an existing care package). Overall timeliness of sourcing has reduced from 71% to 69% and remains a key challenge. Data for the last 6 months shows that average demand is 17% higher than pre-Covid levels (an increase from an average of 727 referrals in the 6 months pre-Covid to an average of 849 referrals between December 2021 – May 2022).
8. To help with some of these pressures, an extra £19.25 million has been allocated to health and social care services in Staffordshire through the Better Care Fund (BCF), to help people remain in their homes and communities for longer. This is on top of the £123 million BCF, which is used by the council and local NHS to help people needing health and social care. A recent report to Cabinet demonstrated how the council and NHS have been working closely together, to improve the lives of older people and those with disabilities. Funding has allowed for the continuation of the Home First Service, helping people returning home from hospital to maintain their independence, and support to the home care market in recruiting and retaining carers, as well as giving more support to care homes to increase the quality of their care.
9. The Future Social Care Workforce Strategy programme of work has progressed at pace. A sector-wide Staffordshire group has been established to develop a new workforce strategy based on the expertise of people across the sector. Workforce engagement has commenced as well as research to inform the strategy. The strategy aims to realise the vision of a stable, skilled, capable, innovative, and resilient workforce.
10. The use of assistive technology has also been progressing during Quarter 1, including 36 digital systems deployed to support people with dementia in care homes. Positive feedback has been received and a further 18 systems have been secured and are soon to be deployed in homes that would benefit from the technology.
11. During Quarter 1, people from Staffordshire have been nominating carers, work colleagues, friends, and family members as part of the 2022

Staffordshire Dignity in Care Awards. Now into its eighth year the awards recognise organisations and individuals who care for the most vulnerable with dignity, kindness, respect, and compassion. Nominations closed in May with the awards ceremony set to take place on 20th July.

12. The current Warmer Homes scheme has been extended to Quarter 2, 2022/23 and continues to provide significant benefits to Staffordshire residents, especially given the rising price of energy. As of 8th June 2022, 528 households had benefitted from 634 home installations, such as first-time gas central heating, air source heat pumps, solar panels or insulation measures to ensure houses are kept warm, and over 2,300 people had received wrap around services through 'Beat the Cold', which include eligibility testing, advice and signposting to further support including replacement boilers.
13. Households across all districts have benefitted from the Warmer Homes scheme, with the highest take-up of installations in Stafford (118), Tamworth (111), East Staffordshire (109) and Cannock Chase (102). Cannock Chase and East Staffordshire are also the districts that have had the highest level of take-up of wrap around services, alongside South Staffordshire. Of households with measures installed, 91% have improved by at least one Energy Performance Certificate (EPC) band, with 10% of these increasing by three or more bands. The focus during 2022/23 will be on the Sustainable Warmth Competition, which helps local authorities to upgrade energy inefficient homes of low-income households and will target around 400 homes in 2022/23, plus the continued wrap-around services. As part of this the council's £5.9m funding proposal has now been approved by Midlands Net Zero Hub with procurement underway.
14. The Supportive Communities programme continues to perform well in Quarter 1. Strengths based practice is gaining momentum across the Directorate and the council has started work in Staffordshire Moorlands to embed the programme at a local level. This will include working closely with practitioners, community and voluntary groups and local partners to test and challenge the whole programme at a district level. There are currently 158 Community Champions, including 16 new Ukraine Champions. As part of plans to upgrade the current Staffordshire Connects website a public consultation concluded, with responses used to inform how this is taken forward.
15. Covid-19 vaccination figures as of the end of May 2022 show that 89% of the over-18 population have received the first dose and 87% have received the second dose. Of the eligible population, 84% have received the third dose (or booster) and there has also been good uptake for Spring booster. Hospital demand related to Covid-19 has also reduced significantly to c.100 at the end of May 2022.

16. From a Finance perspective, Health and Care is forecast to have a breakeven position at Quarter 1. There remains a range of high-risk Medium-Term Financial Strategy (MTFS) savings within this area, with the directorate seeking alternative savings where necessary. In addition, the level of client debt is above target and work is ongoing to recover this.

17. Families and Communities

Delivery Performance Assessment	Finance Performance Assessment
AMBER	RED

18. Progress has been made across the Families and Communities service area in Quarter 1. The Amber Delivery rating reflects much work that has taken place during the quarter, balanced with managing challenges in relation to increasing demand, workforce capacity and recruitment issues, as well as market availability of children in care placements. The Red Finance rating also reflects significant cost pressures impacted by a rising number and complexity of Children in Care and rising demand for SEND support.



19. Staffordshire continues to experience pressures relating to the increasing cost, number and complexity of Child Protection and Children in Care, as well as challenges associated with the embedding of a large-scale Children's Transformation, which we have started to demonstrate the impact and potential of. A recent review highlighted improved multi agency working and improved systems and processes, but also challenges including demand, workforce capacity, recruitment, and retention of social workers, as well as a need to improve how central and district functions work together. A Workforce Steering Group has been set up to address the challenges, including investing in targeted training and development of staff and placing a focus on recruitment. In Quarter 1 there was also an Ofsted focussed visit (in relation to Children in Need and Child Protection). Feedback highlighted that interventions are having a positive impact on children's lives, keeping families together and thresholds for entry in care are appropriate, however there are areas of improvement, such as the impact of high caseloads.

20. At the 31st May 2022, there were 1,315 children in care in Staffordshire, which represents an increase compared to the Quarter 4 position (1,277), and this remains higher than the revised business case number. The rate is 77 per 10,000 which is higher than the most recent national benchmark (67 per 10,000 - March 2021) but lower than the regional benchmark (85 per 10,000 - March 2021). In Staffordshire, the council has supported 21 Unaccompanied Asylum-Seeking Children (UASC) as part of the nationally mandated scheme and will be required to support

a further 16 young people based on information known to date. This places additional pressures on children's services, such as allocating a Personal Advisor and carrying out an initial health assessment.

21. The number of Education, Health and Care Plans (EHCP) issued in time (within 20 weeks) in Staffordshire has declined during Quarter 1. In May 2022, 36% of EHCPs were issued in time, compared to the most recent national benchmark of 58% (from 2021/22). The overall 12-month position is at 58%, compared to the most recent national benchmark of 58%. This continues to be a challenge, but improvement is expected with seven additional SEND Keyworkers now in post and training received. Performance of this key measure will also continue to be closely monitored by the SEND Service and District Operations Teams.
22. Work has continued to deliver the Special Educational Needs and Disabilities (SEND) Strategy, with the draft SEND Delivery Plan ready to present to the SEND and Inclusion Partnership Board in July 2022. The Accelerated Progress Plan (APP), which is a key component in the overall SEND Action Plan for Staffordshire, has been approved and has been identified as an example of good practice. The council is also working with all stakeholders to pull together a response to the government's SEND Review Green Paper which is proposing changes to the SEND and alternative provision (AP) system in England. This will be submitted by 22nd July.
23. The council has intervened to protect school transport contracts in response to the increase in fuel costs. Currently the council spends £18.3 million a year on transporting children with Special Educational Needs and Disabilities (SEND) and commissions services for 970 routes for pupils entitled to free Home-to-School transport. To ensure services continue the council has set aside up to £1.89 million for a one-off payment for March and adjusted new contracts from Quarter 1 to reflect higher costs for operators.
24. Around 27,000 children and their families will be among those benefiting from £5.5 million worth of help this summer through the Household Support Fund. The council has been delivering targeted support across the county since it introduced half-term food vouchers in October 2020 and this latest allocation from the Department of Work and Pensions (DWP) will be distributed to households most in need of support to put towards the cost of food, energy, and water. At least 33% of the funding will be spent on families with children and at least another third is earmarked for older people. By the end of May the grant has helped over 27,200 people with food vouchers, including children who are entitled to Free School Meals and Care Leavers, and around 1,400 households have had support with energy bills. Furthermore, the council is also working with districts and boroughs to administer a further £1.2 million to the most in need. In addition to financial support beneficiaries will also be

offered slow cookers and/or free LED light bulbs to reduce their future bills whilst also reducing their carbon footprint.

25. The council and its partners continue to work hard to ensure everything is in place to welcome refugees from Ukraine as part of the 'Homes for Ukraine' scheme. This includes ensuring screening processes and checks are in place to make sure people are safe, working with schools to prepare them for children arriving, and working with GPs so that people can register and access services and support. As of 21st June, there were 322 Staffordshire sponsors who had come forward and agreed to accommodate a total of 842 Ukrainians. Of this number, more than 450 have now arrived in Staffordshire. Further to this, all the children that have come to Staffordshire have been awarded a school space, with nobody being turned away.

26. The Trading Standards team continues to support businesses through safeguarding and compliance advice. During April and May 2022, the team have dealt with over 2,600 engagements and interventions with businesses. The 'Libraries and Arts' and 'Archives and Heritage' services have also successfully re-engaged with volunteers to support delivery to Staffordshire's communities. A volunteer survey completed by Archives and Heritage confirmed high levels of satisfaction with the county council's offer which informed a review of the service policies and procedures.

27. A draft Communities Delivery Plan 2022/23 has been developed with the council's Communities Leadership Group, building on progress made in recent years. As part of this plan, a new Voluntary, Community and Social Enterprise (VCSE) Capacity Building Framework has been commissioned, with two contracts being awarded that are set to commence from 1 August 2022. The contracts will focus on support to the local voluntary sector and work alongside communities to promote health and wellbeing, as well as work with young people and the community groups that support them. The current arrangements are still ongoing, which between January and March 2022 (latest data available) saw 236 organisations provided with one-to-one development support, VCSE organisations supported to access c.£1.8m of external funding, and 59 individuals supported to access local volunteering opportunities.

28. In terms of the financial position at Quarter 1 for Families & Communities, taking into account a one-off funding allocation, there is a forecast overspend of £3.643m. This is largely due to higher than forecast placements of children in the authority's care.

29. Economy, Infrastructure and Skills

Delivery Performance Assessment	Finance Performance Assessment
GREEN	AMBER

30. Economy, Infrastructure and Skills is currently on track in terms of both Delivery and Finance in Quarter 1. The overall Green Delivery rating reflects considerable progress made across the service against its key plans, whilst the Amber Finance rating reflects the impact of inflationary pressures in Highways and Transport, before the use of Reserves.



31. Discussions are continuing on the post-2025 use of the Hanford Waste Disposal Facility with Stoke-on-Trent City Council. In addition, the day-to-day management and running of Staffordshire's Household Waste Recycling Centres was successfully transferred back to the county council on 1 April 2022, where all sites remained open and safe.

32. The council continues to support local businesses to survive, adapt and continue to operate as part of delivering its £6m Staffordshire Means Back to Business Support Scheme, which is a unique partnership with Staffordshire's eight boroughs and districts to prioritise support for small businesses and people whose jobs and employment prospects have been impacted.

33. As part of the Back to Business scheme, the Staffordshire Apprentice 500 initiative launched in April 2021 to provide incentives to small and non-levy employers to provide apprenticeships to Staffordshire's young unemployed residents. Between the launch and May 2022, 260 businesses have been supported, creating over 400 apprenticeships and over 330 apprentices have so far been recruited.

34. The Get Started scheme which launched in November 2021 gives participants extra confidence to launch or continue with their enterprise with the backing of free expert professional support. The scheme is proving extremely popular with 164 expressions of interest received by the end of April 2022, of which 48 applications have been approved.

35. The council's Ignite Programme was launched in 2021; it is a programme of free advice, workshops, mentoring and support for post-16 further education students looking to set up their own business in Staffordshire. By the end of April 2022, targets for the 2021/22 academic year had been exceeded with 5,000 students receiving lesson plans; 412 registered on the online learning platform; and 269 registered for the face-to-face intensive 5-day course.

36. Looking to the future, the council has recently consulted with residents, businesses and partners on the new draft Staffordshire Economic Strategy and accompanying Rural Economic Strategy which both cover the period to 2030 and will set out the proposed direction of growth for the county. Overall, respondents were supportive of the priorities set out within both strategies, as agreed by Cabinet. Top priorities included regeneration of town centres and improved rural digital connectivity.
37. Following a successful launch at the MIPIM exhibition in March 2022, The Staffordshire Development Prospectus was heavily promoted at the UK Real Estate, Investment and Infrastructure Forum in Leeds in May 2022 highlighting numerous investment, growth, and regeneration opportunities across Staffordshire.
38. Extension works on the i54 South Staffordshire business park have now been completed. It is hoped that the scheme will create more than 1,000 jobs, with new occupiers expected to be announced in the coming months. In addition, the scheme includes a plan to boost employment skills, training, and recruitment to local people with a £150,000 contribution – helping them to access the generated jobs. The partners have also agreed a further £500,000 to support and promote sustainable travel activities.
39. Staffordshire Community Learning was recently recognised nationally for how well it adapted its offer during the pandemic, through its nomination for the 'Building Brighter Futures through Family Learning Award' by the National Campaign for Learning. Staffordshire was recognised for how it innovated, adapted, and delivered family learning, and how it now continues to use the methods introduced, such as remote and online learning tools, to reach and benefit even more learners. A Best Practice case study is now being developed.
40. Over the last quarter work has continued on Project Gigabit; a new £123M Department for Digital, Culture, Media & Sport (DCMS) investment into the region to enable premises that are not commercially viable to get 1,000Mbs connectivity. As well as improving everyday life, the move to gigabit technology could boost the local economy by hundreds of millions of pounds and supports the council's climate change commitments – with smart technology reducing energy consumption and cutting carbon emissions. Highlights so far include the launch of the new [Gigafast](#) Staffordshire website to help everyone understand the benefits of gigabit connectivity and ease further deployment, and rebranding of the existing Superfast social media sites. Project Gigabit has moved into the early stages of the Procurement phase, and work has also begun with regional and local stakeholders to identify and promote digital projects. In addition, the Digital Infrastructure Strategic Framework was approved at Cabinet on June 15th which provided a 5-year programme of work, funded by the Gainshare from the successful Superfast Project.

41. In terms of climate change, funding has been awarded to 102 schemes, totalling £52,930, as part of the second round of the council's Climate Action Fund. Furthermore, the county also celebrated Earth Day on 22 April with a range of activities that encouraged people to reduce their carbon emissions. Other initiatives being delivered by the county include an Air Aware campaign, encouraging schools and businesses to increase walking and cycling and using greener transport methods to improve town centre air quality. Thousands of trees have also been planted on business development sites and green spaces, which also helped mark the Queen's Green Canopy jubilee programme.
42. The council's Climate Change Action Plan 2 has also been reviewed and a new Action Plan has been produced which identifies the priorities and actions for the year ahead. These will help the council to play its part in the global effort to reduce the impact of climate change and meet its net carbon zero target by 2050. It is due to go to Cabinet in October 2022.
43. The council are supporting businesses in numerous ways to assist them to achieve Net Zero carbon emissions, for example through the county council funded Carbon Tracker that was launched in October 2021 which helps Staffordshire businesses measure, identify, and monitor their carbon emissions. To date, 60 businesses have used the tool. The council is also starting a new carbon off-setting pilot for businesses finding it difficult to further reduce their carbon emissions.
44. The street lighting LED retrofit programme commenced in April 2021 and at the end of May 2022 was slightly behind the planned delivery target, which is to convert around 47,000 lanterns by March 2025. Work is ongoing to ensure the programme is delivered on time. There have been 15,675 lanterns changed to date, saving 644 tonnes of CO₂e each year. When complete this programme will save the equivalent of 1,492 tonnes of CO₂e each year.
45. Nearly 1,500 potholes were fixed across Staffordshire between April and 10th May, as the council steps up its repair programme. The drive comes after the authority announced it was investing an extra £15.5 million in the county's roads. Last year, crews repaired more than 35,000 road defects across the county. In addition, work to transform the council's current Highways arrangements is also progressing well, with sign-off of the proposed model in Quarter 1 and an additional £1m extra revenue investment to be agreed by Cabinet.
46. The financial position at Quarter 1 for Economy, Infrastructure and Skills is a breakeven position. This is following an allocation of one-off funding for inflationary pressures materialising in highways and transport.

47. Corporate Services

Delivery Performance Assessment	Finance Performance Assessment
GREEN	GREEN

48. Corporate Services is currently on track in terms of both Delivery and Finance in Quarter 1 and continues to provide vital support to the organisation in delivering on its priorities. Whilst the overall GREEN performance ratings reflect a great deal of activity that has taken place to progress its plans, like other service areas it continues to manage challenges regarding workforce capacity and recruitment, as well as being subject to similar inflationary pressures impacting on areas of business, such as ICT and parts of the property programme.



49. During 2022/23, the council aims to raise £8m through the sale of unused land and buildings to fund transformation of services and activity, in line with new Government regulation. By mid-May the council remains on target to deliver this.

50. In addition, work on the council's property programme is progressing well, including completion of the Lichfield Day Centre refurbishment with all services now full transitioned. Demolition work has finished on Bilbrook House in South Staffordshire, with site sale agreed subject to planning and Shire Hall Stafford works are on track for completion by end of June. Furthermore, as part of the council's school's capital programme both new primary schools in Uttoxeter and Fradley are progressing well and will be open for September 2022. Despite an ongoing issue regarding storm drainage at the new primary school planned for Deanslade (Lichfield), the c.£8m schools maintenance programme which comprises of over 100 projects is on track to be delivered during this financial year.

51. Moving forwards Digital is fundamental to the way the council works as an organisation, as well as how it will interact with partners, citizens, and communities. Work is well underway to refresh the council's priorities for 2022/23, ensuring they align with the new Corporate Delivery Plan. Good progress has been made across multiple existing priorities, such as implementing a new Applicant Tracking System in October, with the aim of improving recruitment processes. The council is also digitising Community Highways communications to improve customer satisfaction, visibility, responsiveness, and support community self-help. Work is being progressed with partners to explore what a new and innovative "Single Customer Front Door" may look like across Staffordshire, with the aim of improving access and ease of use.

52. The council's new Community Fund opened on the 19th April and to date 29 projects have been supported, including 22 jubilee projects. The total value for applications so far is £231,000 – this is a current matched value of £3 raised by communities for every £1 requested from the fund. The total budget for the fund is £156,000 and will continue taking new applications until 31 October 2022.
53. Throughout the quarter there has been significant work around promoting the Staffordshire story and place brand as part of We are Staffordshire. This has included a successful Staffordshire Day held at the House of Commons where a delegation of Staffordshire businesses and local leaders showcased the county as a great place to do business, work, learn and visit to over 200 MPs, Cabinet Members & Senior Civil Servants. There are now over 135 Ambassadors registered and a successful Ambassador event held in May attracted over 75 Staffordshire businesses.
54. Work to deliver the council's internal People Strategy is ongoing. A new Careers website is due to be launched in July. Furthermore, in May the council made a pledge to support two graduates by offering them work placements. Graduate interviews took place in June and the successful applicants will start with the council in September 2022. In addition, as the council continues to review and improve its employee benefits, including a revised car lease scheme that is due to be launched in the coming months.
55. There is continued focus on employee absence across the whole of the council. The council's People Operations team are working directly with the top 30% of service areas with the highest absence levels to understand the main reasons for this and to proactively support them in responding to this. Early indications have shown improvements, with the team now carrying out some detailed work to establish short, medium, and longer-term approaches.
56. Total absence is currently 12.57 days lost per employee, with increases seen over the year in both short- and long-term absences. As at May 2022, 8.63 days were lost due to long term absence compared to 7.03 at the same point last year, and 3.94 days were lost due to short-term absence compared to 2.29 at the same point last year. Absences relating to diagnosed/suspected COVID-19 account for 1.51 days lost per employee, increasing from 1.03 at the same point last year. With COVID-19 related absences removed, total absence levels for Quarter 1 are at 11.06, which is slightly higher than the Quarter 4 position of 10.08. However, it is worth noting that pre COVID (Feb 2020) total absence levels were at 11.68 days lost per employee, therefore an underlying improvement can be seen over the two-year period. Psychological disorders is the highest absence reason at 3.64 days lost, an increase from last year's 2.68 days lost. Employees who have had no absence is

at 49% (1,989 employees) of the workforce and 21% (849 employees) have had less than 5 days absence.

57. Corporate Services is forecast to have a breakeven position at Quarter 1. There is potential for some additional income from Registrars due to the higher number of weddings that are being booked following the lifting of all COVID restrictions.

58. Legal Implications

There are no legal implications of note in relation to this report, which is for information and discussion, not for decision.

59. Resource and Value for Money Implications

Please see Finance Appendices.

60. Climate Change Implications

There are no direct climate change implications of note.

61. Link to Strategic Plan

Cross-cutting as the performance of the Corporate Delivery Plan represents the most significant activity that directly delivers against all areas of the strategic plan.

62. Link to Other Overview and Scrutiny Activity

Detailed scrutiny of the council's activity in relation to the various areas discussed in this report takes place at the Health and Care Overview and Scrutiny Committee, Prosperous Overview and Scrutiny Committee, Safeguarding Overview and Scrutiny Committee or Corporate Overview and Scrutiny Committee, as appropriate.

63. Community Impact

This report represents a strategic summary of the county council's performance against key indicators, finances, and delivery of priorities. The individual projects and programmes are reported separately where specific decisions are required, and community impact assessments are completed where appropriate. As such there is no community impact presented with this report.

List of Appendices:

- Appendix 1 - Performance Dashboard
- Appendix 2 - Finance Quarter 1 Summary
- Appendix 3 - Finance Quarter 1 Detailed Report
- Appendix 4 - Corporate Checklist
- Appendix 5 - Revenue Forecast Outturn 2022/23
- Appendix 6 - Capital Forecast Outturn 2022/23
- Appendix 7 - Financial Health Indicators 2022/23

Contact Details

Assistant Director: Kerry Dove, Assistant Director for Strategy & Transformation

Rob Salmon, County Treasurer

Report Author: Wendy Tompson
Job Title: Head of Policy and Insight
Telephone No.: 01785 854267
E-Mail Address: wendy.tompson@staffordshire.gov.uk

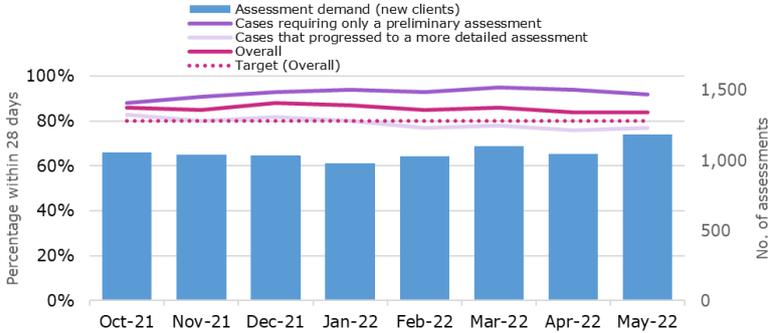
Report Author: Rachel Spain
Job Title: Corporate Finance Manager
Telephone No.: 01785 854455
E-Mail Address: rachel.spain@staffordshire.gov.uk



Health & Care Dashboard

Adult Social Care and Safeguarding

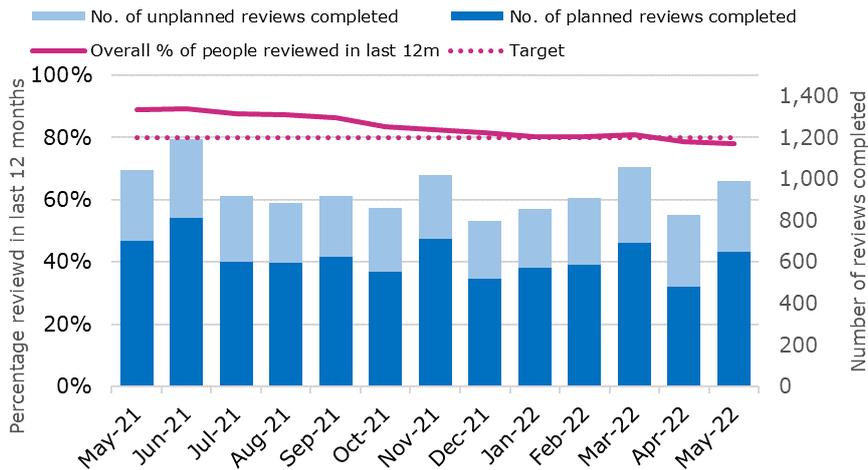
% of Care Act assessments of new clients completed in 28 days and number of requests received per month



% of safeguarding referrals assessed within 2 working days and number of requests received per month



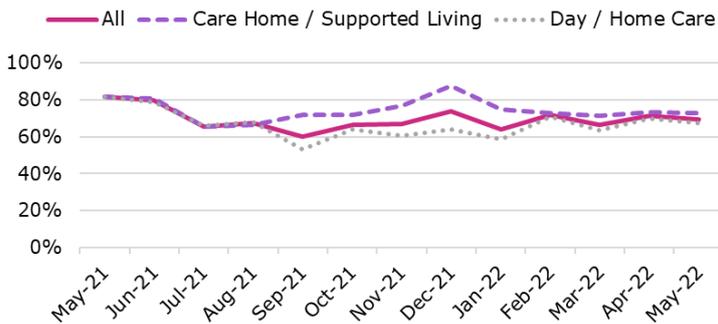
Overall % of people who have been receiving services for 12 months or over, who have had a review in the previous 12 months, and number of reviews completed



Source: SCC

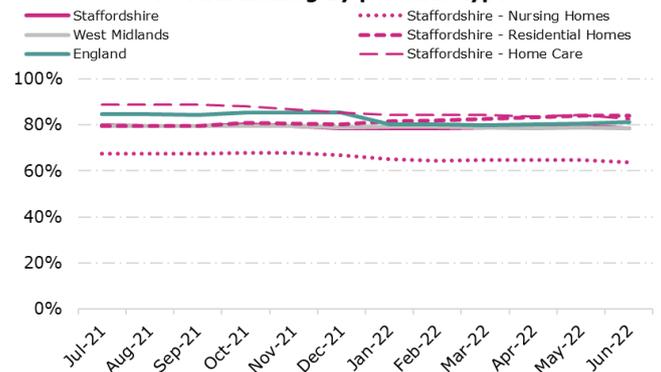
Care Commissioning

% of brokerage sourced within agreed timescale by service type



Source: SCC

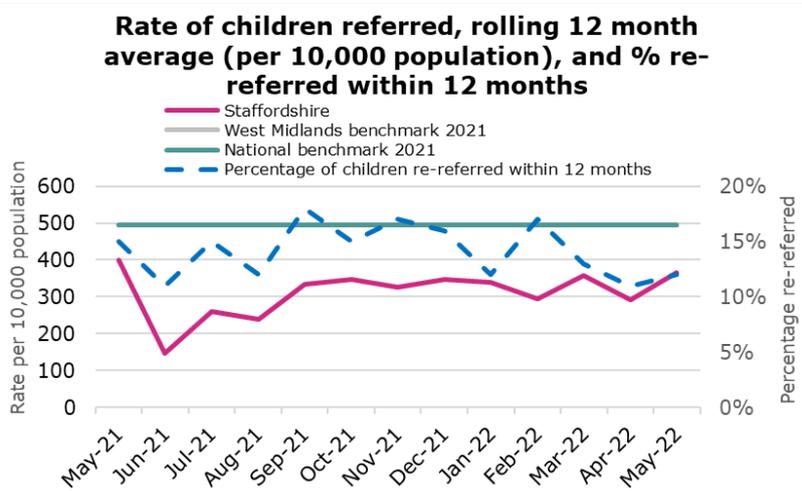
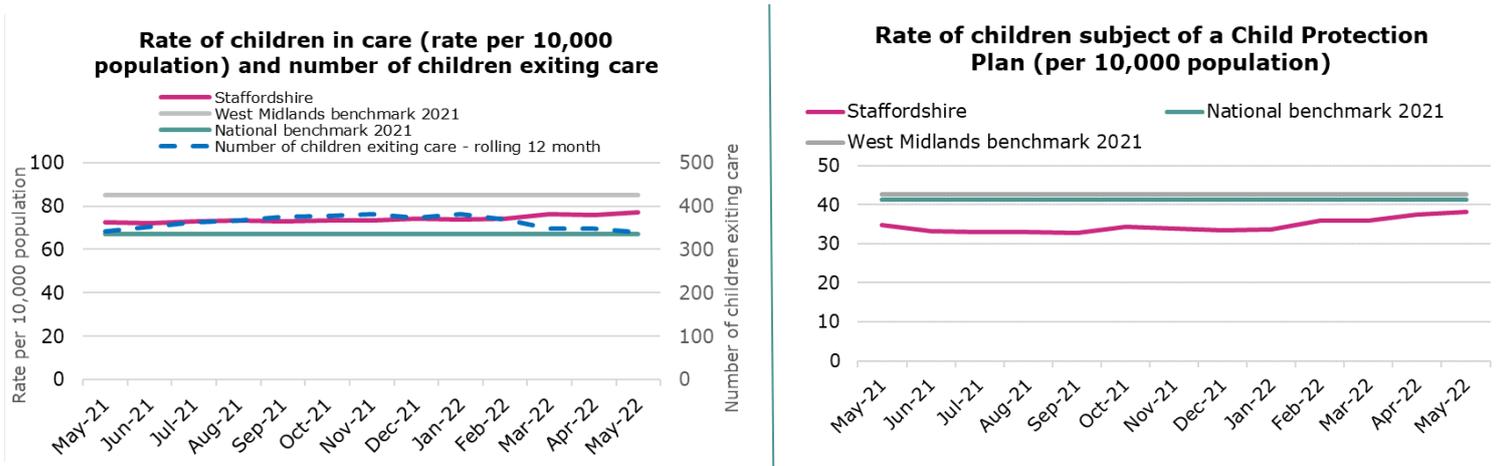
% of care providers with CQC ratings of Good or Outstanding by provider type



Source: SCC and Care Quality Commission

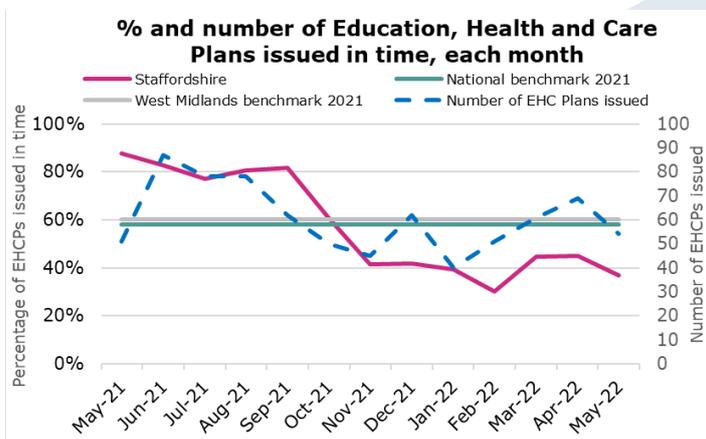
Families & Communities Dashboard

Safeguarding



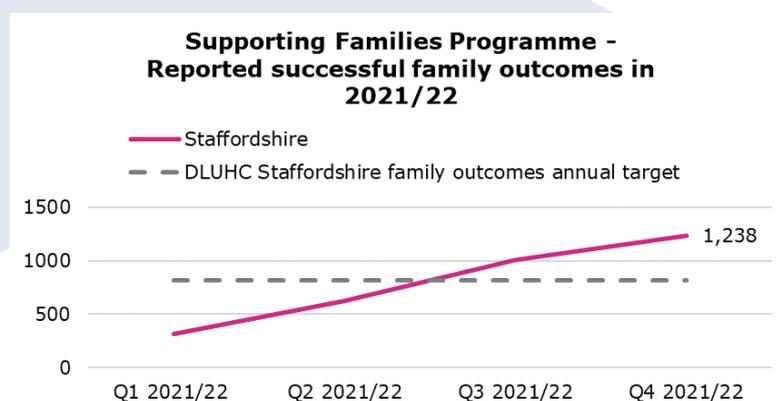
Source: SCC and Local Authority Interactive Tool (LAIT)

Special Educational Needs and Disabilities



Source: SCC and Local Authority Interactive Tool (LAIT)

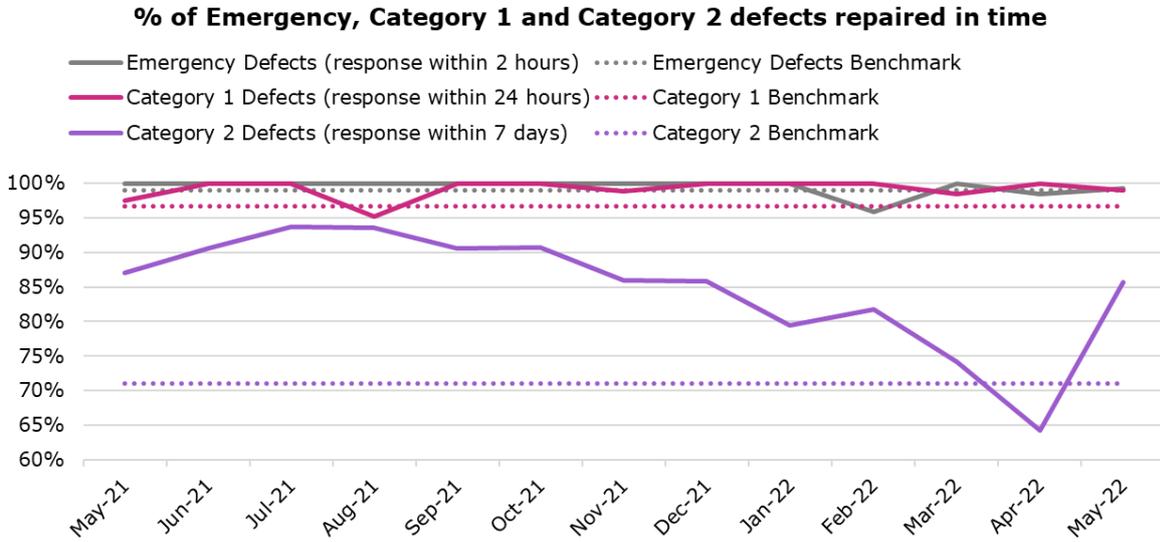
Supporting Families Programme



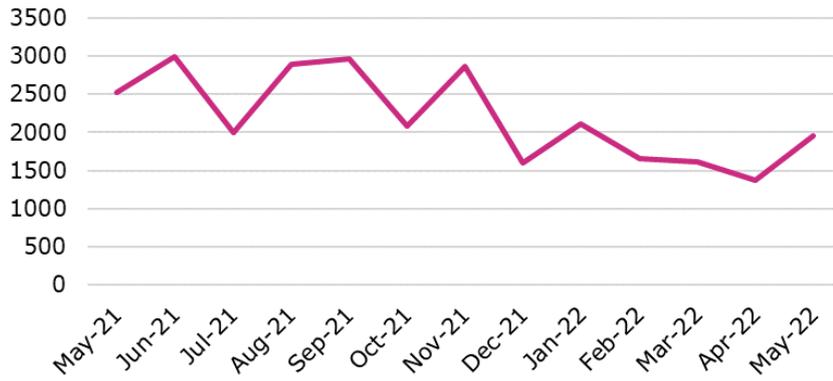
Source: SCC and Department for Levelling up, Housing and Communities
n.b. Awaiting confirmation of Quarter 1 figures

Economy, Infrastructure & Skills Dashboard

Highways



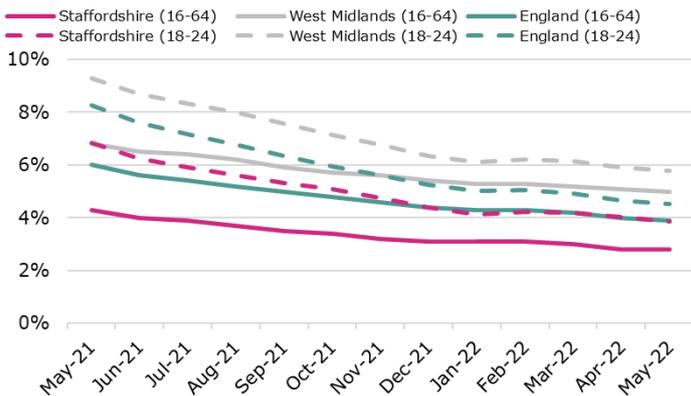
Total number of Category 3 (low-risk) safety defects identified



Source: Amey, Confirm. * Please note the above charts include all asset defects

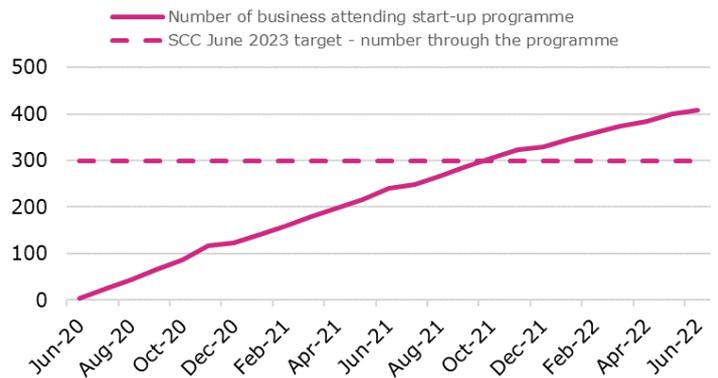
Employment and Business

Claimant Count rate by age



Source: Office for National Statistics

Number of business start-ups assisted by the council (cumulative)

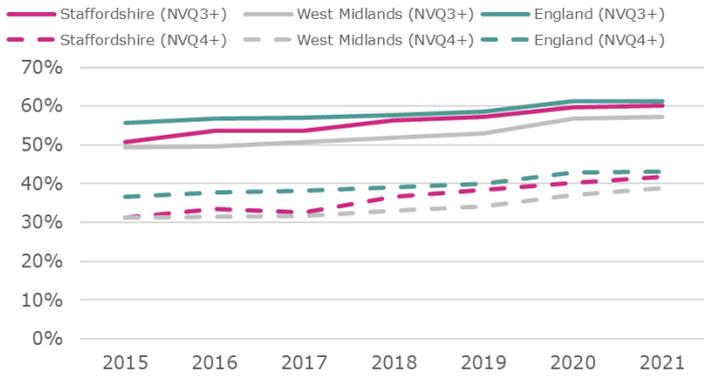


Source: SCC

Economy, Infrastructure & Skills Dashboard

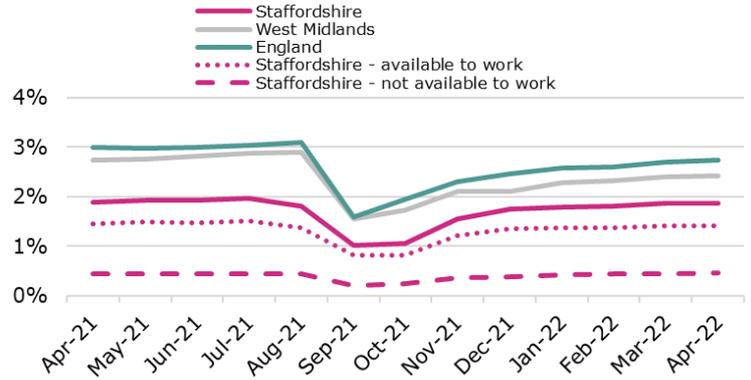
Skills

% of adult population qualified to Level 3+ and Level 4+



Source: Annual Population Survey

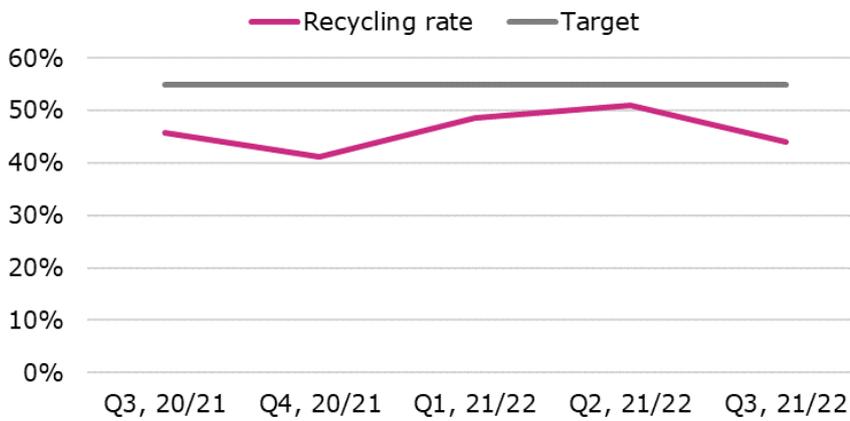
% 16-17 year olds not in education, employment or training (NEET) by NEET economic activity level



Source: National Client Caseload Information System

Climate Change and Waste

% of waste recycled each quarter

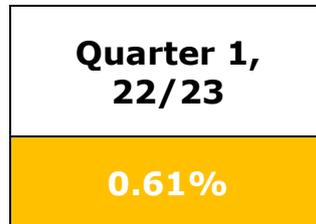


Source: SCC

Corporate Services Dashboard

Finance

Revenue outturn forecast variance compared to the overall budget (target no more than +/- 2%)



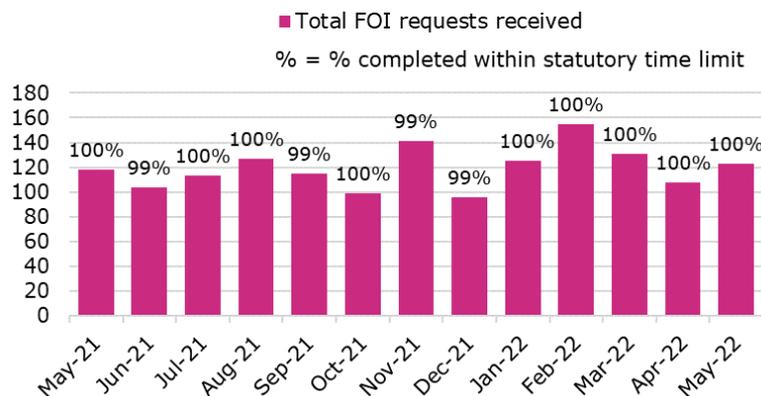
Staff Sickness Absence

Average payroll days lost per employee



Freedom of Information

Number of FOI requests and % completed within statutory time limit



Latest Financial Summary

The following graphs summarise the financial performance of the council. Full details are contained in this report.

The graphs and charts are compiled using quarter 1 forecast information.

The latest revenue forecast outturn shows an overspend of £14.693m (2.76%). Following the allocation of one-off funding this reduces to an overspend of £3.643m (0.61%). Inflationary pressures are forecast to be in the region of £50-70m in the current and future years and the situation is being monitored carefully.

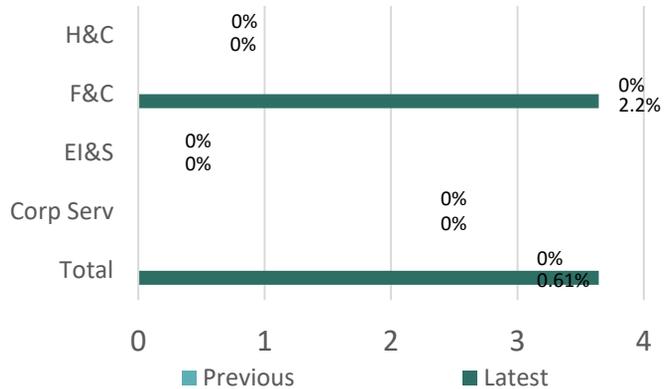
There is a forecast overspend of £3.5m for Children’s Services, following an allocation of £7m of one-off funding. This is a highly complex and volatile service and costs depend on the type of placements provided. The service is taking mitigating actions to address these pressures as far as possible.

Savings are categorised into confidence of delivery. There are £86,000 savings that are delivered as at quarter 1. There are £1.095m savings classed as Low confidence which relate to accommodation based savings in Adult Social Care.

The latest capital outturn projection is £133.2m, compared to the MTFs forecast position of £106m, an increase of 25.6%. This projection is a fully funded position. This increase is mainly due to Basic Needs and SEND funding being rephased from 2021/22 into 2022/23, as well as changed to several Highways programmes. More details can be found in the report.

Within the national context, the retail price index is currently 11.7%, and the latest consumer price index is 9.1%. Interest rates have increased to 1.25% making them the highest level in 11 years. GDP is estimated to have decreased by 0.3% in April 2022, following a decrease of 0.1% in March. Current unemployment figures show Staffordshire benefit claimant rate remains below that of the West Midlands and Great Britain.

Revenue Budget Variance



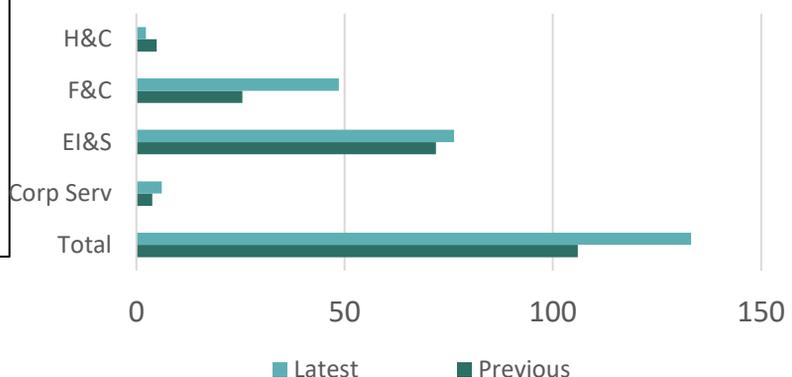
Savings Tracker – Target £16.788m

Quarter 1 - £16.788m



Savings Rating Key – Blue – Delivered - savings completed in year
 Green – High confidence – Expectation saving will be delivered in year
 Amber – Medium confidence – work still to be done to achieve saving
 Red – Low confidence – expectation that saving will not be made in year

Capital Programme



Introduction

Revenue Forecast

1. The latest revenue forecast outturn (as provided in appendix 4) shows a forecast overspend of £14.693m (2.76%), prior to additional funding for inflationary pressures being taken into account. Once this one-off funding is included and an allocation from the Contingency budget for pressures on Children's Services is assumed, the overspend reduces to £3.643m (0.6%). This is compared to the balanced position reported at the MTFs.
2. The one-off funding is allocated from the inflation reserve (£5.050m) and from the Contingency budget (£6.000m). There is £4m remaining in the Contingency budget and it would be prudent to retain this against the anticipated cost of the pay award for the current year. The current forecast of inflationary pressures for the current and future years is between £50m and £70m. These are being monitored closely and will be updated in future quarterly reports, however the need for one-off resources to fund these pressures remains.
3. The following paragraphs consider the key financial issues in each of the council's portfolios.
4. **Health and Care** **Forecast – Breakeven**
5. *Public Health and Prevention* *Forecast – Breakeven*
6. Proposals are being developed to utilise some of the uncommitted funds including support for districts and borough councils on healthy planning policy, weight management (as government funding has been withdrawn), and the remainder will be held against the risk that the Public Health ring fenced grant is reduced in future years.
7. *Adults Social Care & Safeguarding* *Forecast - Breakeven*
8. There are a number of vacancies in the Adults Learning Disability Team (ALDT) which are planned to be filled during the year. A review of the ratio of qualified to unqualified staff is being carried out but the service is not expected to exceed its approved budget. There is a small risk that the 2022/23 NHS pay award could lead to higher than budgeted costs for the Section 75 contract with the Midlands Partnership NHS Foundation Trust (MPFT).

Appendix 3 – Quarter 1 Finance Report

9. The restructure of the Learning Disability In-House Services will be completed later this year. Vacancies currently being held mean the services are not expected to exceed their approved budgets this year.
10. *Care Commissioning* *Forecast - Breakeven*
11. The Learning Disability placement budget is forecast to breakeven. However, there is a risk that the Reviews Programme MTFs savings will not be delivered in full, and that NHS income could reduce. There also remains a risk that demographic growth and care price increases could exceed the budget assumptions, but these will be monitored as we move through the year.
12. The Mental Health budget is forecast to break even. The placement budget was increased in recognition of the growth in placement costs during the last two years but there remains a risk of further increases in referrals following the Covid 19 pandemic.
13. Forecasting the number and cost of long-term older people residential and nursing placements has proved more challenging than usual since the outbreak of Covid 19. It is likely that costs will rise faster than usual this year due to increasing inflationary pressures in addition to the cessation of most Covid grants provided by the Government, a significant proportion of which was passported to care providers.
14. The Block Booked Beds savings target will be challenging to deliver in full this year. Work is ongoing to maximise use through a working group which is reviewing and improving processes. In addition, steps are being taken to ensure no care home placement is authorised without exploring utilisation of a block-booked bed in the first instance. The forecast saving will be monitored closely throughout the year.
15. Several care homes have been serving notice on placements in order to negotiate prices. This behaviour will result in additional cost pressure for the affected placements, but these will be mitigated as far as possible.
16. Despite the issues identified above, the overall forecast for Older People's placements is not forecast to exceed the budget allocation in year.

Appendix 3 – Quarter 1 Finance Report

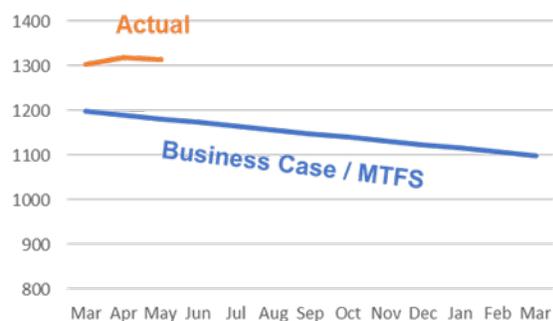
17. There was a saving of £0.805m against the Physical Disabilities budget in 2021/22 and there are no significant risk or pressures identified at this time, therefore the forecast is breakeven.
18. There is still a great risk and uncertainty regarding the overall costs of Adult Social Care Reform. A further report has been prepared by the County Councils Network (CCN) and Newton, which suggests that the funding provided by the Government to meet the costs Adult Social Care Reform will be insufficient to meet the total costs of implementing the reforms. This is in line with the findings of a similar report prepared by Laing Buisson. Work is being undertaken to understand the analysis in the CCN and Newton report and to identify the possible financial impacts to the Council.
19. The Contain Outbreak Management Fund (COMF) of £19.169m has been brought forward to 2022/23, against which we have estimated future commitments of £6.201m. As mentioned in the quarter 4 report, the email from the UK Health Security Agency mentioned that future discussions regarding COMF would be taking place and there is a risk that they may look to claw back funding at some point.
20. **Families & Communities** **Forecast - £3.643m overspend**
21. *Children's Services* *Forecast - £3.5m overspend*
22. The forecast position is an overspend of £3.5m across Children's Services, assuming an allocation of £6m from the Contingency budget is approved. The number of Children in Care (CiC) remains largely unchanged from the start of the year (currently at 1,314) and is significantly removed from the approved business case and underlying assumptions that make up existing budget and MTFS:

Appendix 3 – Quarter 1 Finance Report

Children in Care

(as at end of May 22)

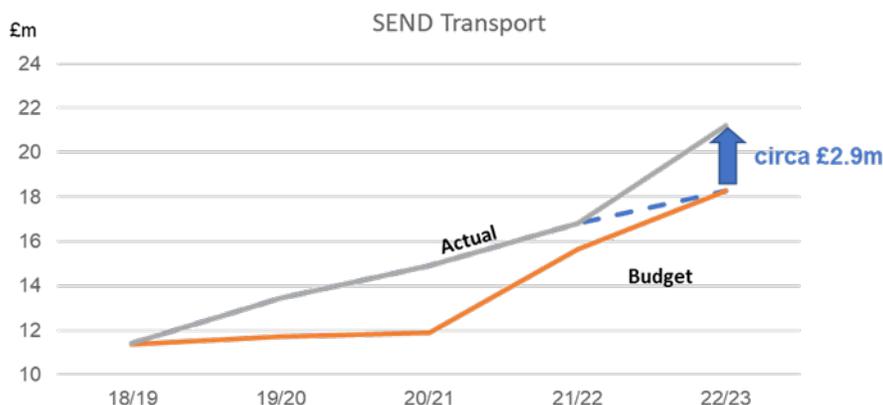
	Business Case	Actual
In house fostering (c £0.020m p.a.)	507	561
Independent fostering (c £0.040m p.a.)	330	364
Residential homes (c £0.2m p.a.)	101	128
Independent living (c £0.040m p.a.)	57	86
Adoptive / Parents with PR	150	131
Other (e.g. UASC)	38	44
	1183	1314



23. This is a highly complex and volatile service with costs dependant significantly on the type of placements provided; however, based on existing levels – and assuming a similar level of demand for the rest of the year – it is forecast that the CiC Placements budget (£60m in 2022/23) will be £12.2m over budget. This includes allowance for some children – currently on the edge of care or where existing placements are at risk of breaking down – coming into the residential care system if no better alternative can be identified.
24. The service is taking mitigating actions to address as far as possible pressures through a CiC action plan, including, for example:
- Additional income from partners
 - Greater challenge of the number of entering and leaving children in care
 - Introduced a new ‘contract framework’ to reduce costs and improve value for money
 - Enhanced internal residential provision to further disrupt the market.
 - Review of the existing ‘short breaks’ provision and capacity
25. While other savings on Unaccompanied Asylum-Seeking Children grants and other staff savings of £0.2m, net of additional agency costs, are forecast, even with the above mitigations, the forecast is for an overall overspend this year in Children’s Services of £9.5m. There is a risk this will worsen going forward given the current level of inflation that is likely to impact further on existing cost of provision.
26. *Education Services* *Forecast - £0.051m overspend*

Appendix 3 – Quarter 1 Finance Report

27. The forecast overspend is £0.051m. This is primarily due to pressures in SEND transport which in recent years has seen a significant increase in demand as a result of the rise in Education, Health and Care Plans (EHCPs). This has been reflected in the MTFs with a further uplift in 2022/23 to £18.3m.



28. Unfortunately rises in inflation (and in particular, fuel) have placed significant additional pressure on the budget this year with recent retendered transport contracts seeing price increases in excess of 50%.
29. Given the current circumstances, a paper was recently brought forward by the transport commissioners' service and approved proposing an 'exceptional' in year increase to transport contracts (backdated to March 2022) of 8.5% (equivalent to £1.4m) to help mitigate the immediate pressure arising.
30. However, it is likely that additional inflationary costs will arise incurred going forward as contracts are retendered and awarded at even higher levels driven by increasingly adverse market conditions and could see the underlying increase further to £2.9m.
31. While a contribution from the inflation reserve in year has already been agreed for £1.4m, this still leaves a need for a further contribution of £1.5m. Depending on how inflation levels develop going forward – and transport demand changes going into the next Academic year – there is a risk this could increase further.
32. A further £0.5m of additional costs will impact on mainstream transport costs held in Economy, Infrastructure and Skills. This has also been funded from the inflation reserve and therefore the total commitment against the reserve is £1.9m.

Appendix 3 – Quarter 1 Finance Report

33. A review of SEND transport is being implemented to identify any actions that may be taken to mitigate the existing demand and costs as far as possible – however this is a complex service and will take significant time and resources and is unlikely to have a significant impact in year.
34. *SEND High Needs Block*
35. The High Needs Block is currently anticipated to overspend by £6m and reflects continuing growing demand for SEND support. This overspend will be charged against the DSG reserve which at the end of 2021/22 was already £8.6m in deficit. Staffordshire County Council is not alone in this difficult financial predicament – this is a position shared by the majority of Councils across the sector.
36. Going forward, it is anticipated that the SEND transformation programme – with the full roll out of the district hub model – will provide for a more inclusive system that enables the necessary early support and intervention to manage demand within overall resources. However this will take time and will not generate the immediate savings required to address the current shortfall and further action must be taken to mitigate the existing overspend in this area.
37. *Rural County* *Forecast - £0.186m overspend*
38. The forecast saving largely due to on / off legal costs and settlement of an employment tribunal award and do not represent an ongoing financial concern. A provision has also been reflected in the forecast for the potential costs associated with the review on enhanced payments for weekend working.
39. *Community Safety* *Forecast - £0.1m saving*
40. The forecast saving is due to a saving against the Child and Adolescent Mental Health Service (CAMHS) Tier 4 contract.
41. **Economy, Infrastructure & Skills** **Forecast - Breakeven**
42. *Business & Enterprise* *Forecast – Breakeven*
43. The service is forecast to breakeven. There is a potential pressure related to the Shire Hall Enterprise Centre, which is due to open in June, and this is likely to have a shortfall of income in its first year of operation. There is also some uncertainty around the funding for the Growth Hub activity going forward. However additional income is forecast from planning fees, and the Cannock

Appendix 3 – Quarter 1 Finance Report

Enterprise Centre has been generating extra income due to the additional units, which are now fully occupied, which will likely offset these pressures.

44. *Infrastructure & Highways* *Forecast - Breakeven*
45. The forecast for the service is a break-even position. The situation around increasing costs and material supplies, largely associated with the increasing cost of oil remains challenging for Highways budgets. Cost pressures across the wider service are in the region of 15% and officers have been working through the impact of these increasing costs. Currently it is estimated that these pressures amount to £2m on the Highways revenue budget (largely on reactive maintenance) and £10m on the Highways capital programme. The quarter 1 forecast assumes that these pressures are funded from the inflationary risk reserve. These inflationary pressures will continue to be monitored as part of the usual process.
46. Further to this, as part of the MTFs, Highways received an additional £1m extra revenue investment. This included £0.5m on-going funding to mitigate an existing pressure around Community Teams capacity and to increase contract management capacity. The further £0.5m was for 3 years only to cover the cost of the Highways Transformation project.
47. A further £1m extra revenue investment (in addition to the £1m approved in the MTFs) would bring in additional capacity to achieve the two critical success factors of the Highways transformation project as well as facilitating the new ways of working. The first critical success factor is to develop a stronger, intelligent Client Function. The second critical success factor is a more responsive/flexible customer focussed service through a 'Community Priorities Team' approach. To enable the two critical success factors, subject to further redesign, this second £1m investment would initially create additional safety and quality inspector posts and increase the capacity of the Community Highways Team. It would also allow a Community Response Pilot to be carried out in 2022/23, building on the learning from the 2020/21 Communities Priorities Programme and the success of the 2021/22 Extra Gulley Crew Pilot.
48. This forecast position assumes that this second additional investment of £1m (bringing the total additional revenue investment in Highways to £2m) is approved.

Appendix 3 – Quarter 1 Finance Report

49. *Transport, Connectivity & Waste* *Forecast - Breakeven*
50. The Transport and Connectivity area is forecast to breakeven. There is an inflationary pressure of £0.350m relating to contracts that are due to be renewed, this is in the Mainstream Home to School Transport budget area and will be funded from the inflation reserve.
51. Despite the current estimate of the inflationary pressure (along with the rising fuel costs) being funded from the inflation reserve, there are additional costs in this area where terminated contracts have had to be renewed at short notice. Some of these contract renewals are coming in at one and a half times the cost of previous years.
52. It is important to recognise that despite managing the inflationary pressure in this area the situation remains uncertain and inflation could continue to increase along with rising fuel prices which will increase the financial pressure on this budget.
53. It is possible that this overspend will be offset by savings in the Concessionary Fares area, but this is uncertain at quarter 1. Future government directives could change, and the impact of the Department for Transport Toolkit review is unclear, but both will be monitored as part of the normal forecasting process.
54. For Sustainability and Waste, the forecast is for a breakeven position. This assumes that the £0.6m MTFs saving for Green Waste recycling credits will be achieved.
55. There is a small overspend in the Woodfuels budget area and is due to the increased cost per tonne of wood chip pellets. Stocks that had previously been coming from Ukraine are now in short supply and other suppliers have increased their costs accordingly. The impact of this will continue to be monitored and currently can be mitigated within existing budgets.
56. *Skills* *Forecast – Breakeven*
57. The service is forecast to breakeven. A new government scheme called ‘Multiply’, part of the Shared Prosperity Fund, has indicated an allocation of £4.2m to be spent over 3 years, for the delivery of numeracy support for adults in Staffordshire. More detail on this will be reported at later quarters.

Appendix 3 – Quarter 1 Finance Report

58. **Corporate Services** **Forecast – Breakeven**

59. The service is forecast to have a breakeven position, which assumes that any costs associated with Covid are now covered in business as usual as there is no general Covid grant available in 2022/23. It also assumes the £0.460m Property rationalisation MTFS saving will be achieved.

60. It is likely that there will be some additional income above the budget in Registrars due to the higher number of weddings that are being booked now all Covid restrictions have been lifted. This along with other smaller potential savings have been used to offset the existing pressure in People Services which is the non-delivery of historical MTFS savings.

61. **Centrally Controlled**

62. The forecast for centrally controlled services is a breakeven position, this assumes that the inflationary increases on the energy budgets within Pooled Buildings are sufficient to meet the higher costs. This will be monitored regularly through the usual budget monitoring process.

63. **Nexus Trading Services Ltd**

64. The company is currently forecasting a breakeven position. It is however experiencing difficulties with recruitment and retention of care staff, which is impacting on the number of care hours that are being delivered which are below target in the first quarter. The issue of recruitment and retention is a national impact for the care sector. It is also experiencing difficulties due to the rising cost of fuel.

65. **Capital Forecast**

66. Appendix 5 compares the latest capital forecast outturn of £133.2m, an increase from the MTFS position of £106m. The key reasons for this increase of £27.2m are set out in the following paragraphs.

67. **Health and Care** **Forecast spend £2.262m**

Appendix 3 – Quarter 1 Finance Report

68. There has been a decrease in the forecast spend of £2.573m since the MTFS report. Histon Hill and Rowley Hall Nursing Home schemes have seen the majority of their budgets rephased (£1.488m and £1.486m respectively) into 2023/24 and 2024/25 while work on the Market Position Statement and demand analysis is finalised.
69. **Families and Communities** **Forecast spend £48.608m**
70. *Maintained Schools* *Forecast Spend £43.968m*
71. There has been an increase of £21.905m since the MTFS, which is the result of rephasing of Basic Need of £7.034m in addition to rephased and new developer contributions of £2.094m, most of which remains unallocated.
72. There are also additional Schools Capital Allocations and rephased allocations of £4.341m and £4.335m respectively. SEND allocations have been rephased into this year of £3.112m. There are other minor reprofiling and budget refinements across a number of schemes.
73. Inflationary pressures on building materials are expected to increase costs on the programme, and these will be monitored closely in the next quarter.
74. **Economy, Infrastructure and Skills** **Forecast spend £76.249m**
75. *Economic Planning & Future Prosperity* *Forecast spend £7.040m*
76. There has been a reduction of £0.860m in the forecast spend since the MTFS. This is mainly due to rephasing of the A50 scheme contingency to 2023/24 of £1.283m, and some increases due to carry forwards on programmes such as the Forward Programme, Bericote Phase 2, Featherstone rails study costs, Pye Green Part 1 claim, Redhill reprofile, and i54 Employment site.
77. The Chatterley Valley budget has been reprofiled over two years, reducing the forecast spend by £1.750m, however there has been an increase in the forecast for i54 Western Extension of £1.430m.
78. *Highways Schemes* *Forecast spend £67.644m*

Appendix 3 – Quarter 1 Finance Report

79. There has been an increase of £5.426m in forecast spend since MTFs. The increase is due to refinements of SWAR budgets of £1.283m as the project nears financial completion, budget refinements on bridges of £2.5m, reductions on Carriageway/Other Maintenance of £3.046m and an increase due to rephasing on Integrated Transport of £4.689m. Increases in costs due to inflation are being monitored closely.

80. **Property, Finance and Resources & ICT** **Forecast spend £6.094m**

81. There has been an increase of £2.279m since the MTFs, which is due to rephasing for Shire Hall refurbishment of £0.981m, District Hub Rationalisation of £0.244m and Asset Renewal £0.262m.

82. **Financial Health**

83. Appendix 6 provides a forecast outturn performance against the key Financial Health Indicators approved as part of the 2022/23 budget setting process.

84. There have been 97.7% of invoices paid within 30 days of receiving them at the end of August, exceeding the financial health indicator target. This position also reflects early payments to suppliers to help them with cashflow during the pandemic.

85. The estimated level of outstanding sundry debt over 6 months old is £18.484m, this is over the target of £14.7m by £3.784m. This is a decrease of £1.172m since the end of 2021/22. The debt recovery process involves chasing by a range of methods with the eventual escalation to the external collection agent or to Legal for the possibility of a court decision to recover the debt.

86. The level of CCG health debt over 6 months old is now £2.080m, £1.820m below the target figure.

87. Client debt now stands at £9.838m and could potentially increase as a consequence of the pandemic. A working group has been established to look at why clients are not paying debts and to implement ways to avoid clients getting into debt in the first instance, this includes an initiative to encourage and assist clients with setting up direct debit instructions.

Debtor Type	2022/23 Target	31/03/2022	30/06/2022 Est	Increase / (Decrease)
-------------	-------------------	------------	-------------------	--------------------------

Appendix 3 – Quarter 1 Finance Report

	£m	£m	£m	£m
Health Bodies & CCGs	3.900	1.933	2.080	(1.820)
Other Govt. and Public Bodies	2.000	2.693	1.592	(0.408)
Other General Debtors (Individuals & Commercial)	4.700	4.872	4.974	0.274
Health & Care Client Debt	4.100	10.158	9.838	5.738
TOTAL	14.700	19.656	18.484	3.784

Appendix 4 – Corporate Checklist

Equalities implications:

Through the delivery of county council business plans, service delivery is increasingly reflecting the diverse needs of our various communities.

Legal implications:

There are no legal implications arising from this report.

Resource and Value for money implications:

The resource and Value for money implications are set out in the report.

Risk implications:

The risk implications concern the robustness of the forecast outturn which may change owing to pressures on services with a consequent effect on county council functions being able to keep within budgets and a potential call on balances.

Climate Change implications:

Staffordshire's communities are places where people and organisations proactively tackle climate change, gaining financial benefit and reducing carbon emissions' is one of the county council's priority outcomes. Through the monitoring and management of this outcome; climate change and carbon emissions are being addressed in an active manner.

Health Impact Assessment and Community Impact Assessment screening:

Not required for this report.

Report authors:

Author's Names: Rachel Spain, Nicola Lycett
Telephone No: (01785) 85 4454
Location: Staffordshire Place No.1

Revenue Forecast Outturn 2022/23

	Revised Budget Qtr 1 £m	Forecast Outturn £m	Variance £m	Use of one- off funding £m	Total Variation £m
Health and Care					
Public Health & Prevention	0.263	0.263	0.000	0.000	0.000
Adult Social Care & Safeguarding	45.771	45.771	0.000	0.000	0.000
Care Commissioning	197.498	197.698	0.200	(0.200)	0.000
Specific Grant Allocation (Public Health)	(0.263)	(0.263)	0.000	0.000	0.000
Health and Care Total	243.269	243.469	0.200	(0.200)	0.000
Families and Communities					
Children's Services	113.838	124.338	10.500	(7.000)	3.500
Children's Public Health	(0.005)	(0.005)	0.000	0.000	0.000
Education Services	32.096	33.647	1.551	(1.500)	0.051
Culture and Communities	5.543	5.504	(0.039)	0.000	(0.039)
Rural	2.460	2.646	0.186	0.000	0.186
Community Safety	10.205	10.150	(0.055)	0.000	(0.055)
Families and Communities Total	164.137	176.280	12.143	(8.500)	3.643
Economy, Infrastructure and Skills					
Business & Enterprise	2.328	2.328	0.000	0.000	0.000
Infrastructure & Highways	32.090	34.090	2.000	(2.000)	0.000
Transport, Connectivity & Waste	42.963	43.313	0.350	(0.350)	0.000
Skills	2.537	2.537	0.000	0.000	0.000
EI&S Business Support	1.146	1.146	0.000	0.000	0.000
Economy, Infrastructure and Skills Total	81.064	83.414	2.350	(2.350)	0.000
Corporate Services	44.183	44.183	0.000	0.000	0.000
Corporate Services Total	44.183	44.183	0.000	0.000	0.000
Traded Services	(0.755)	(0.755)	0.000	0.000	0.000
TOTAL PORTFOLIO BUDGETS	531.898	546.591	14.693	(11.050)	3.643
Centrally Controlled Items					
Interest on Balances & Debt Charges	33.980	33.980		0.000	0.000
Pooled Buildings and Insurances	17.424	17.424		0.000	0.000
Investment Fund	1.164	1.164		0.000	0.000
Contingency	10.000	4.000		6.000	0.000
Inflation reserve (one-off funding)	0.000	0.000		5.050	0.000
TOTAL FORECAST (SAVING)/OVERSPEND	594.466	603.159	14.693	0.000	3.643

CAPITAL PROGRAMME 2022/23

	MTFS Budget	Enhancements to Programme	1st Quarter Budget
	£m	£m	£m
Health and Care			
Care and Independence	4.835	(2.573)	2.262
Health and Care Total	4.835	(2.573)	2.262
Families and Communities			
Maintained Schools	22.062	21.906	43.968
Rural County (Countryside)	0.329	0.058	0.387
Vulnerable Children's Projects	0.000	0.960	0.960
Tourism and Culture	3.049	0.244	3.293
Families and Communities Total	25.440	23.168	48.608
Economy, Infrastructure and Skills			
Economic Planning & Future Prosperity	7.900	(0.860)	7.040
Highways Schemes	62.218	5.426	67.644
Connectivity	0.910	0.177	1.087
Waste & Sustainability Projects	0.890	(0.412)	0.478
Economy, Infrastructure and Skills Total	71.918	4.331	76.249
Trading Services - County Fleet Care	0.460	0.000	0.460
Finance, Resources & ICT	0.000	0.565	0.565
Property	3.355	1.714	5.069
Total	106.008	27.205	133.213

Financial Health Indicators 2022/23

Appendix 7

Indicator		Current Performance
<p><u>Debtors</u> Level of outstanding general debtors more than 6 months old does not exceed £14.7m (Current Performance – £18.5m)</p>		
<p><u>Payments to suppliers</u> At least 90% of invoices have been paid within 30 days of us receiving them during the last quarter (Current Performance – 97.7%) This reflects early payments to suppliers to help them with cashflow during the pandemic.</p>		
<p><u>Monitoring</u> Quarterly financial monitoring reports have been issued to Cabinet during the last 12 months</p> <p>The council's most recent revenue outturn forecast did not vary by more than +/-2% when compared to the overall revenue budget</p> <p>Quarterly monitoring reports of progress against MTFS savings have been produced for the Senior Leadership Team during the last 12 months</p>		  
 Indicator not met	 Indicator not met by small margin	 Indicator met