

Public Document Pack



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Ask for Danny Sunderland

PUBLIC

To: Members of Audit Committee

Monday, 23 January 2023

Dear Councillor,

Please attend a meeting of the **Audit Committee** to be held at **2.00 pm** on **Tuesday, 31 January 2023** in the Council Chamber, County Hall, Matlock, the agenda for which is set out below.

Yours faithfully,

A handwritten signature in black ink that reads 'Helen E. Barrington'.

Helen Barrington

Director of Legal and Democratic Services

A G E N D A

1. Apologies for Absence
2. To receive declarations of interest (if any)
3. To confirm the minutes of the meeting held on 29 November 2022 (Pages 1 - 6)
4. Performance Monitoring and Budget Monitoring/Forecast Outturn (Pages 7 - 144)
5. Capital budget monitoring and forecast as at Quarter 2 2022-23 (Pages 145 - 158)

6. Audit Services Unit – Progress Against Audit Plan 2022-23 (Pages 159 - 196)
7. Regulation of Investigatory Powers Act (RIPA) (Pages 197 - 202)
8. Meeting Dates and Agenda Items for 2023-24 (Pages 203 - 208)
9. To consider the report of the External Auditor on audit progress (Pages 209 - 230)
10. Exclusion of the Public

To move that under Section 100(a)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that in view of the nature of the business, that if members of the public were present exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 would be disclosed to them and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Part II - EXEMPT ITEMS

11. To receive declarations of interest (if any)
12. To confirm the exempt minutes of the meeting held on 29 November 2022 (Pages 231 - 232)

PUBLIC

MINUTES of a meeting of **AUDIT COMMITTEE** held on Tuesday, 29 November 2022 at the Council Chamber, County Hall, Matlock.

PRESENT

Councillor G Musson (in the Chair)

Councillors R Parkinson, N Atkin, N Gourlay, R Mihaly and J Nelson.

Officers present: D Downs, P Handford, T Kearsey, P Peat and P Spencer (representing Derbyshire County Council); M Nolan and J Pressley (representing Mazars).

46/22 TO RECEIVE DECLARATIONS OF INTEREST (IF ANY)

There were no declarations of interest.

47/22 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 20 SEPTEMBER 2022

The minutes of the meeting held on 20 September 2022 were confirmed as a correct record.

48/22 PERFORMANCE MONITORING AND REVENUE OUTTURN 2021-22 (FROM 20 SEPTEMBER 2022)

RESOLVED:

That the Committee notes:

- a) The Council Plan performance and the revenue outturn position for 2021-22;
- b) The position on General and Earmarked Reserves;
- c) The allocation of underspend amounts and commitments to Portfolios as set out in the report;
- d) The release of all the sum of £14.000m held in the earmarked reserve as a contingency against potential funding losses during the Covid-19 recovery period as set out in the report;
- e) The allocation, from the release of earmarked reserves and from underspends, of £10.000m to the Budget Management Earmarked Reserve, £10.000m to a reserve for inflation risks, £5.251m to a reserve for business rates risks and £4.000m to a reserve for cyber security as set out in the report; and
- f) Contributions from the Finance & ICT budget of £0.010m to an

earmarked reserve to support the modernisation of the ICT Traded Services team and £0.200m to provide temporary agency resources for the Operations team as detailed in the report.

49/22 FINANCIAL MANAGEMENT CODE (FROM 20 SEPTEMBER 2022)

RESOLVED:

That the Committee notes progress against the requirements of the Financial Management Code.

50/22 CORPORATE RISK MANAGEMENT UPDATE (2022-23 QUARTER 2)

This report covered updates to the council's strategic risk register up to the end of Quarter 2 (30 September 2022). The council's current operating environment remained volatile. The corporate management team was keeping under review a range of significant uncertainties which could potentially affect the council's work over the winter period and into 2023-24. These uncertainties included:

- The ongoing impact of the Russian invasion of Ukraine on energy supply, global supply chain costs and cyber-security.
- Recent national political instability affecting the financial markets and policy making in areas affecting local authorities.
- High levels of national debt with consequent pressure on public funding and the likely need for savings measures.
- A highly competitive labour market.
- Increasing industrial action.
- Increasing rates of infection with Covid-19, and a serious threat of this combining with other viruses over the winter.

A summary of the risks on the current strategic risk register was provided and the full register was shown at Appendix 2 to the report.

Members were informed that work to implement the APEX corporate risk database had been delayed due to an unforeseen absence of critical staff in the APEX team working on the technical aspects of this project. However, it was envisaged that this situation would be resolved by the end of March 2023.

The Director of Finance & ICT confirmed that the Council continued to self-insure against cyber risk and setting aside this money had provided the Authority with assurance.

Members enquired what risks were posed by the current cost of living crisis and the recent local government pay award and what measures

were in place to mitigate these. The Director of Finance & ICT reported that the Council was in a good financial position and the generous autumn settlement from the Government had allowed the pay award pressures and the current rise in inflation to be addressed.

RESOLVED:

That the Committee notes the report.

51/22 STATEMENT OF ACCOUNTS 2021-22

At the Audit Committee meeting on 5 August 2022, a detailed presentation, followed by a question and answer session had taken place to explain the Statement of Accounts in more details and to respond to any particular queries that Members had.

The external audit had been substantially completed but had not yet been concluded. The Council would publish notices of delay in publishing its audited 2021-22 Statement of Accounts on 30 November 2022, primarily due to the pending outcome of a recent DLUHC consultation on accounting for infrastructure assets, which was not expected to be reported until late December 2022. This was an issue that applied to all local authorities with highways responsibility, so was not unique to Derbyshire County Council. The proposals, if approved, would apply to all open accounts and this could lead to additional changes to the Statement of Accounts 2021-22. Should there be significant changes, these accounts would be reported back to the Committee for final approval. The final audited accounts would be published as soon as the audit had formally concluded, and the external audit opinions had been issued.

RESOLVED:

That the Audit Committee:

- a) approves the Statement of Accounts 2021-22, subject to any further non-significant changes being delegated to the Council's Section 151 Officer for approval, in consultation with the Audit Committee Chairman should clarification be required; and
- b) approves the Annual Governance Statement within the Statement of Accounts 2021-22.

52/22 ASSESSMENT OF GOING CONCERN STATUS

The main factors which underpinned a going concern assessment were the:

- Council's current financial position
- Council's projected financial position
- Council's governance arrangements
- Regulatory and control environment applicable to the Council as a local authority.

Having regard to the Council's arrangements and such factors as highlighted in the report, the Director of Finance & ICT as Section 151 Officer had concluded that Derbyshire County Council remained a going concern and that it was appropriate that the Council's Statement of Accounts for 2021-22 had been prepared on this basis.

RESOLVED:

That the Audit Committee notes this formal assessment of the Council's status as a 'going concern' and the conclusion that it is an appropriate basis for preparing the Council's Statement of Accounts 2021-22.

53/22 APPOINTMENT OF EXTERNAL AUDITOR

(Mike Norman and John Pressley from Mazars, left the meeting during the consideration of this item)

On 3 October 2022, Public Sector Audit Appointments (PSAA) had written to inform the Council of the outcome of its procurement to let audit contracts from 2023-24. Mazars had been successful in winning a contract in the procurement, and on 17 October 2022, PSAA wrote to inform the Council that it was proposing to appoint them as the auditor of Derbyshire County Council and the Derbyshire Pension Fund for five years from 2023-24.

RESOLVED:

That the Audit Committee notes the proposed appointment by Public Sector Audit Appointments (PSAA) of Mazars, as the external auditor of Derbyshire County Council and the Derbyshire Pension Fund for five years from 2023-23, and the Council's acceptance of the proposed appointment.

54/22 AUDIT SERVICES UNIT – PROGRESS AGAINST AUDIT PLAN 2022-23

Members were informed of the progress against the approved Audit

Services Plan for 2022-23 as at 31 October 2022.

Other than elements of the operational reviews of the ICT service, the Unit had been progressing well with the delivery of the 2022-23 Audit Plan. Recently several meetings had been held with senior management to discuss the gaps in assurance within the elements of the Council's ICT operational procedures that would need to be addressed prior to 31 March 2023.

The Assistant Director of Finance (Audit) provided Members with an update on the current staffing situation and the continuing issues with recruitment. On a more positive note it was reported that:

- A Principal Auditor had returned to work on a reduced working week following their period of maternity leave.
- Another member of the team had successfully completed their Internal Audit Practitioner apprenticeship; and
- Early benefits were being seen with the combined Audit, Insurance and Risk Team including the sharing of best practice and information.

An updated publication from CIPFA had been received on Audit Committee practical guidance for local authorities and police. The publication was designed to support the audit committee in their role for good governance of the authority. The publication had been circulated to all members of the Audit Committee, and a workshop session would be arranged to support the Committee's review of its effectiveness.

At 31 October 2022, a total of 1,573 productive days had been delivered against the pro-rata target of 1,617 days (total planned days for 2022-23 was 2,772).

RESOLVED:

That the Audit Committee notes:

- a) The performance of the Audit Services Unit during this period; and
- b) Note the content of the CIPFA guidance and the requirement to complete a workshop session.

55/22 TO CONSIDER THE REPORT(S) OF THE EXTERNAL AUDITOR

Mike Norman and John Pressley from Mazars attended the meeting to present the Audit Findings Progress Report for Derbyshire County Council and the Audit Completion Report for the Derbyshire Pension

Fund for the year ended 31 March 2022.

It was reported that there were no significant issues and it was expected that unqualified audit opinions would be issued together when the infrastructure asset outcome had been announced.

On behalf of the Committee, the Chairman thanked Mr Norman and Mr Pressley for their attendance and reassurance.

RESOLVED:

That the Audit Committee notes the reports of the external auditor.

56/22 EXCLUSION OF THE PUBLIC

To move that under Section 100(a)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that in view of the nature of the business, that if members of the public were present exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 would be disclosed to them and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

57/22 TO RECEIVE DECLARATIONS OF INTEREST (IF ANY)

There were no declarations of interest.

58/22 TO CONFIRM THE EXEMPT MINUTES OF THE MEETING HELD ON 20 SEPTEMBER 2022

The exempt minutes of the meeting held on 20 September 2022 were confirmed as a correct record.

59/22 OVERVIEW OF PLACE RISKS

RESOLVED:

That the Committee notes the recommendation in the not for publication report.

The meeting finished at 4.20 pm



Agenda Item

FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

31 January 2023

**Joint Report of the Managing Director and the Interim Director of
Finance & ICT**

**Performance Monitoring and Budget Monitoring/Forecast Outturn
2022-23 as at Quarter 2 (30 September 2022)**

1. Divisions Affected

1.1 County-wide.

2. Key Decision

2.1 This is not a Key Decision.

3. Purpose

3.1 To provide Members with an update of Council Plan performance and the Revenue Budget/forecast outturn for 2022-23, as at 30 September 2022 (Quarter 2).

4. Information and Analysis

Integrated Reporting

4.1 This report presents both Council Plan performance and financial budget monitoring and forecast outturn data.

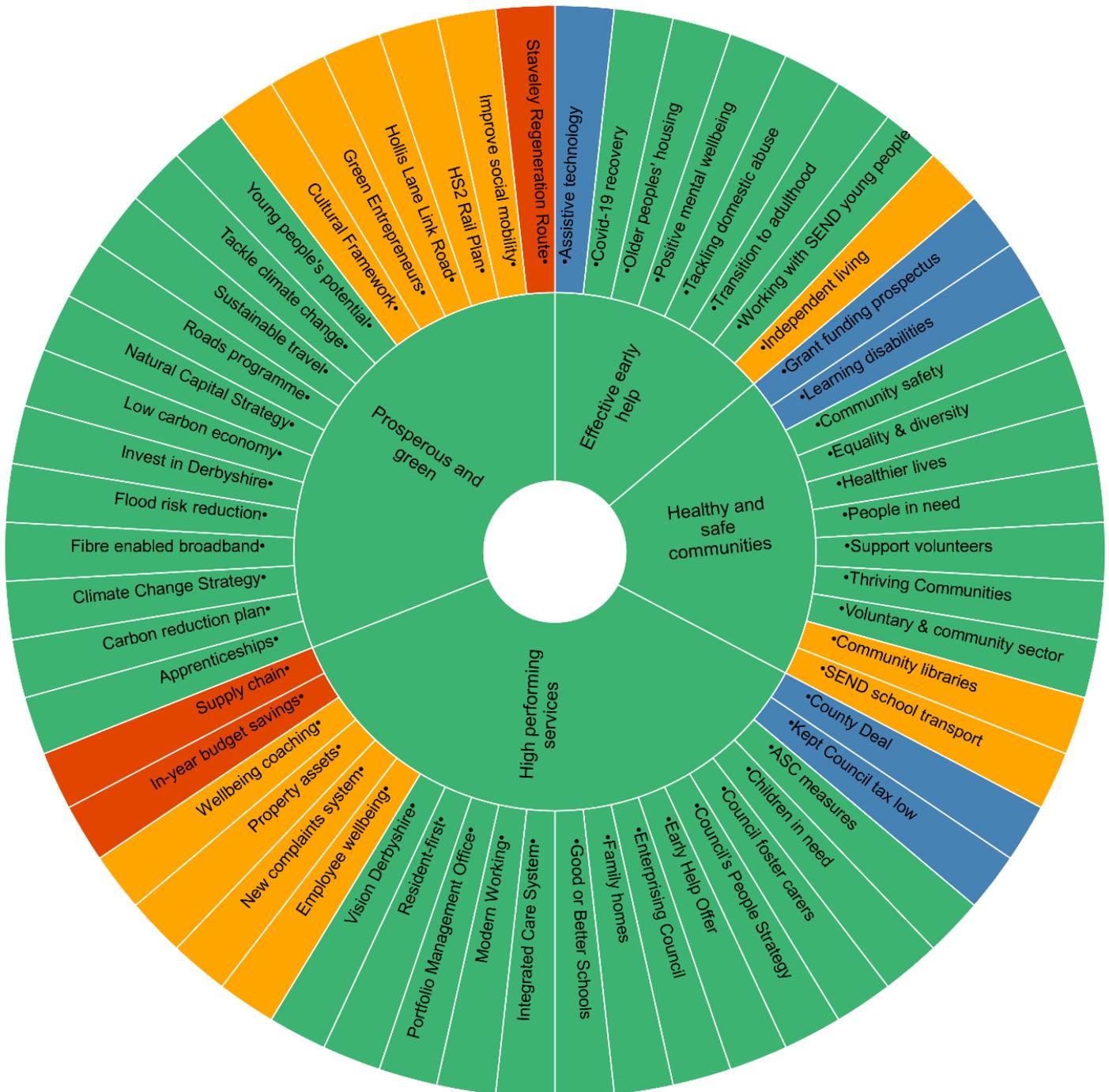
- 4.2 The Performance Summary sets out the progress the Council is making on delivering the Council Plan with a focus on the achievement of the Council Plan priorities.
- 4.3 The Revenue Budget Position and Financial Summary provides an overview of the Council's overall budget position and forecast outturn as at 30 September 2022.
- 4.4 Appendices to this report summarise progress on Council Plan deliverables and the controllable budget position by Cabinet Member Portfolio for 2022-23 as at 30 September 2022. Further reports will be considered at Audit Committee and Council in accordance with the Budget Monitoring Policy and Financial Regulations.

Performance Summary

- 4.5 The Council Plan for 2022-25, which outlines the Council's priorities, key deliverables and performance measures, was developed and approved by Council in March 2022.
- 4.6 The 2022-23 Quarter 2 Performance Report, attached at Appendix 3, sets out the position in full, up to the end of September 2022, for each deliverable and associated key measures set out in the Council Plan.

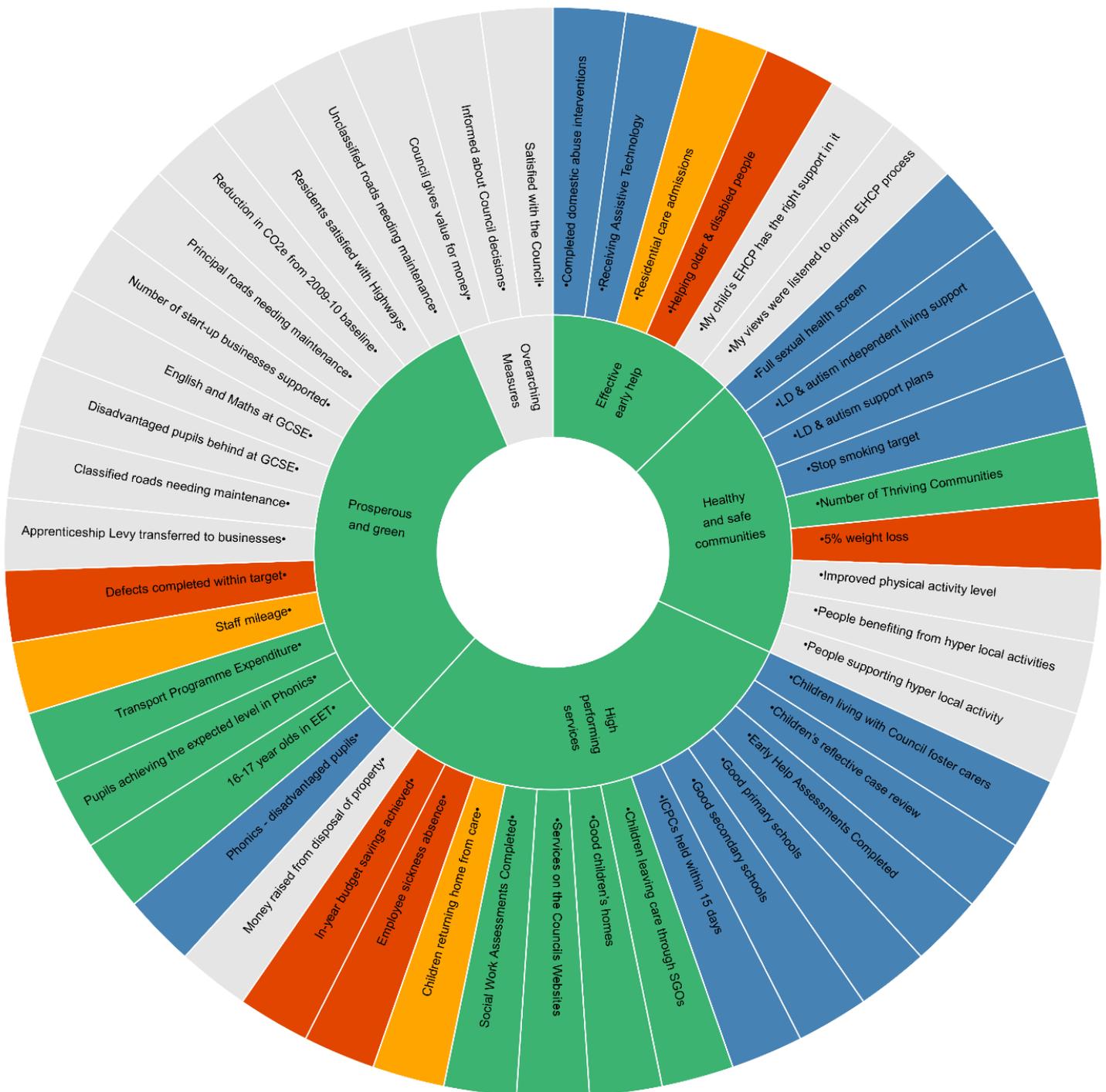
4.7 The Council is performing well in delivering the Council Plan, with 74% of the 58 deliverables in the Plan showing 'Good' or 'Strong' progress. Only 21% have been rated as 'Requiring Review' and three deliverables have been rated as 'Requiring Action'. Progress in delivering the Plan is shown in the graphic below.

Deliverable Progress



4.8 The graphic below shows performance against target for each measure by priority. For the 38 key measures with data at this point in the year, thirteen have been rated as 'Strong', with a further eight rated as 'Good', while three have been rated as 'Requiring Review' and five as 'Requiring Action'.

Key Measures Against Target



Performance by priority

4.9 The resilient, healthy and safe communities priority shows overall 'Good' performance for both the deliverables and the measures.

4.10 Key areas of success are as follows:

- Continued to make good progress in ensuring people with a learning disability and/or who are autistic have an outcome focussed support plan, with 489 plans in place to date, ensuring access to more community-based opportunities.
- Continued to provide support to people and communities in need via the Derbyshire Discretionary Fund, making 7,112 awards during the quarter, totalling over £0.775m.
- Supported the development of open and welcoming spaces in communities and during the quarter recorded 3,478 instances of people benefitting from activity stemming from the Council's Thriving Communities approach.
- Made grants totalling £0.462m to community groups, promoting positive behaviours, improving local networks, helping people to feel safer and encouraging sustainable and green activity.

4.11 An area for consideration under this priority is as follows:

- Work to review how the Council delivers home to school transport for children with special educational needs continues to be delayed, with a number of new risks and challenges in this area. However, some mitigation of these risks has enabled some progress to be made. The focus of activity during Quarter 2 has been on the decision-making process and how Children's Services can best assess the need for home to school transport to enable Place to plan the most effective use of resources.

4.12 The high performing, value for money and resident-focused services priority shows overall 'Good' performance for both deliverables and measures.

4.13 Key areas of success include:

- The Government signed a devolution deal with Derbyshire, Derby, Nottinghamshire and Nottingham Councils on 30 August 2022, which will see the East Midlands receiving £1.14 billion over 30 years to invest in the region and the establishment of an East Midlands Mayoral County Combined Authority, subject to formal agreement and public consultation.

- Ranked as the lowest council for Council Tax for 2022-23, when comparing the average council tax per dwelling against comparator authorities who provide similar services.
- The proportion of children and young people attending good or better schools in Derbyshire during the academic year 2021-22 has seen a faster rate of improvement than that seen nationally, for both primary and secondary pupils. Although the gap with the national position has narrowed, proportions remain lower than comparators, particularly at secondary level, and the deliverable will remain a priority for the 2022-23 academic year.

4.14 Areas for consideration under this priority are as follows:

- Work to develop a longer-term preventative wellbeing coaching model has been delayed, partly due to the Covid-19 pandemic and partly due to Human Resources processes taking longer than anticipated. Revised timescales have been agreed and plans are being established to complete all outstanding pieces of work by the end of March 2023.
- Progress in implementing a new complaints and feedback system has been delayed. The level of work to integrate Adult Social Care and Health (ASCH) systems may be significant. The completion date has been put back to December 2023, and developments are being kept under review to identify any issues and manage timescales.
- Whilst progress has been made in supporting wellbeing, employee sickness absence has risen to 5.7% for the quarter up to the end of September 2022, compared with 4.7% for the same period last year. The target for the year is 4.6%. Work has continued on refreshing the Council's Wellbeing Strategy which is ready for formal agreement. Work is also underway to break down further the sickness absence data to better understand the underlying causes of sickness across the largest identified primary causes of sickness. The impact of spikes in Covid-19 infections rates is also being explored. Teams where the sickness levels are higher than the Council average have been identified for further investigation.
- Property rationalisation targets have been impacted due to the uncertain market and economic conditions, their impact on Council and partner resources, market interest in land sales and value over the term. These influencers are structural in nature and the Council will continue to monitor impact as national and regional conditions unfold.

- It is forecast that of the in-year savings target of £8.057m, £7.037m will be achieved in the current financial year. The Council is reviewing all of its savings initiatives and developing a programme of savings proposals to address the estimated funding gap over the medium term. Where savings have not been achieved in previous years and brought forward into the current financial year, mitigations and alternative savings delivery is being considered.
- The implementation of a contract and supply chain management regime across the Council has been delayed due to difficulties and delays in recruiting the contract compliance team. Various recruitment campaigns continue to be run, combined with changes to the recruitment process to make it easier for candidates to apply. While this is being addressed, some work is being progressed where possible.

4.15 The effective early help for individuals and communities priority shows overall 'Good' performance for both deliverables and measures.

4.16 Key areas of success are as follows:

- Referred 215 people for Assistive Technology during the quarter, contributing towards reducing the need for formal support and promoting safety and independence in their own homes.
- Worked with local partners to support mental wellbeing. Over 500 "talking benches" have been set up across the county, allowing people to begin conversation with others and talk openly about their health and wellbeing.
- The Derby and Derbyshire Violence against Women and Girls Strategy has been launched and the first meeting of the new Board was held in September 2022.

4.17 An area for consideration under this priority is as follows:

- Progress on the Better Lives programme to support older people and people with a disability to increase their independence continues to be impacted by the shortage of homecare. The Better Lives programme has been reconfigured into the "Best Lives Derbyshire" programme to support mitigation of this issue and work is now underway to review the Short Term Service, which helps older and disabled people to regain their independence, to increase capacity and to create a wider workforce plan.

4.18 The priority for a prosperous and green Derbyshire shows overall 'Good' performance for both deliverables and measures.

4.19 Key areas of success are as follows:

- The spend on the Local Transport Programme has met the target and the planned surface dressing programme has been completed.
- Total carbon emissions for 2021-22 were 15,399 tCO₂e, which is a reduction of 64% since 2009-10 and a reduction of 3% from the 2020-21.
- The Renishaw Property Flood Resilience scheme benefiting thirteen properties has been completed. 80 properties separately have benefitted from £0.400m from the Department for Food, Environment and Rural Affairs grant scheme.
- Provisional 2021-22 data for the percentage of pupils reaching the required standard in Phonics suggest improved comparator performance and a narrowing of the gap between disadvantaged and non-disadvantaged pupils. The percentage of Derbyshire 16 to 17 year olds in education, employment and training continues to be in the top 25% of council areas nationally.

4.20 Areas of consideration under this priority are as follows:

- So far in 2022-23, 9,252 defects have been completed, with 80.4% being completed within target timescales. Whilst this is below the target of 90% it is higher than at the same point in 2021-22, when 73.5% of defects were completed in target timescales. During Quarter 2, 94.1% of defects were completed in target timescales, which is higher than target. It is considered that through the implementation of the Local Transport Plan Capital delivery scheme a reduction in defects will be seen throughout the year which should have a positive impact on the amount of defects, and customer satisfaction levels, by the year end.
- Whilst preparation work on planning and procurement for the Hollis Lane Link Road has continued during the quarter, the cost uncertainty will remain until a construction contractor is appointed.
- Whilst there is still no confirmation from the Department for Transport (DfT) on the northern leg of HS2, the development study is ongoing and consultation on the electrification of the Midland Mainline through the Derwent Valley Mills World Heritage Site is taking place with both Network Rail and the DfT.

- The costs of the Chesterfield to Staveley Regeneration Route remains an issue, and discussions are underway with both Government and private sector stakeholders over project funding.
- Take up of the Green Entrepreneurs small grants fund for businesses has not been as anticipated as a result of the current market conditions and rising inflation costs which seems to be affecting business confidence. Work is taking place with the University of Derby to intensify networking opportunities to engage further with businesses and raise the awareness of the Green Entrepreneur Fund.
- There have been difficulties in recruiting to the Vision Derbyshire programme team which will take forward the social mobility work. Work is taking place to review current hosting arrangements for the programme team alongside a light touch review of the Vision Derbyshire approach which will consider the resourcing of the approach and recruitment to the vacant posts
- An outline prospectus has been produced for the Derwent Valley Mills World Heritage Site Development Framework, however this requires wider partnership buy in. The Prospectus will be presented to Chief Executive Officers and Councillors from each of the Local Planning Authorities in the World Heritage Site by the Council's Head of Conversation and Executive Director of Place in the next calendar year.

4.21 With 74% of deliverables rated as 'Strong' or 'Good', there is much to celebrate in the progress the Council has made in delivering the Council Plan. Further detail regarding each of the deliverables in the Council Plan and the key measures is set out in Appendix 3.

Revenue Outturn Summary

4.22 The Council's forecast outturn for 2022-23 as at Quarter 2 (30 September 2022), compared to controllable budget, is summarised below. The forecast outturn table shows the position net of the impact of the ring-fenced Dedicated Schools Grant (DSG) of £389.554m and Public Health grant of £43.803m, other ring-fenced grants and income from other third parties and their associated spend.

	Budget	Use of DLUHC Covid-19 Grant Funding	Adjusted Budget	Forecast Actuals	Projected Outturn	Budget Performance
	£ Millions	£ Millions	£ Millions	£ Millions	£ Millions	
Adult Care	264.780	0.000	264.780	280.400	15.620	
Children's Services and Safeguarding and Education	146.161	0.000	146.161	150.016	3.855	
Clean Growth and Regeneration	0.848	0.000	0.848	0.679	-0.169	
Corporate Services and Budget	59.928	0.695	60.623	63.110	2.487	
Health and Communities	9.925	0.000	9.925	9.158	-0.767	
Highways Assets and Transport	37.792	0.000	37.792	39.626	1.834	
Infrastructure and Environment	45.984	0.000	45.984	48.111	2.127	
Strategic Leadership, Culture, Tourism and Climate Change	13.493	0.000	13.493	13.736	0.243	
Total Portfolio Outturn	578.911	0.695	579.606	604.836	25.230	
Risk Management	24.598	0.000	24.598	7.244	-17.354	
Debt Charges	38.185	0.000	38.185	37.361	-0.824	
Interest and Dividend Income	-4.600	0.000	-4.600	-6.458	-1.858	
Levies and Precepts	0.363	0.000	0.363	0.363	0.000	
Corporate Adjustments	3.424	0.000	3.424	3.102	-0.322	
Unfunded Pay Award	0.000	0.000	0.000	13.000	13.000	
Total	640.881	0.695	641.576	659.448	17.872	
Use of Earmarked Reserves	17.872	0.000	17.872	0.000	-17.872	
Total After Use of Earmarked Reserves	658.753	0.695	659.448	659.448	0.000	

4.23 An overall Council overspend of £17.872m is forecast, after accounting for the use of £0.695m of non-ringfenced grant funding provided by the Department for Levelling Up Housing & Communities (DLUHC) to support local authorities with the impacts of the Covid-19 pandemic.

This is funding from the remaining balance of the Covid-19 general emergency funding at 31 March 2022, amounting to £15.370m, which has been carried forward to 2022-23 in an earmarked reserve. The forecast also includes the use of £7.651m from departmental reserves to support the Highways Assets and Transport and Infrastructure and Environment portfolios. However, the Council will use some of the balances on its Budget Management, Covid-19 and Inflation Earmarked Reserves to report a break-even position as shown in the table below. It is anticipated that, after these amounts have been drawn, a balance on the Covid-19 reserve will remain available for future use. Whilst the use of earmarked reserves, in-year, will result in the Council reporting a break-even position, the impact of the unfunded pay offer, demand pressures and inflationary costs will need to be addressed as part of the budget setting process for 2023-24 as the effect will be an ongoing cost pressure.

Reserve	Balance Available	Use to fund identified Covid impacts	Use to fund overspend	Residual
	£m	£m	£m	£m
Inflation Risks	10.000	0.000	6.200	3.800
Budget Management	10.000	0.000	10.000	0.000
Covid Emergency Grant	15.370	0.695	1.672	13.003
	35.370	0.695	17.872	16.803

4.24 Of the forecast £25.230m portfolio overspend, the significant variances are:

- an overspend of £15.620m on the Adult Care portfolio;
- a £1.834m overspend on the Highways Assets and Transport portfolio, after the use of £4.884m of departmental earmarked reserves;
- a £2.127m overspend on the Infrastructure and Environment portfolio, after the use of £2.767m of departmental earmarked reserves;
- a £3.855m overspend on the Children's Services and Safeguarding and Education portfolios; and
- a £2.487m overspend on the Corporate Services and Budget portfolio.

- 4.25 The forecast £15.620m overspend on the Adult Care portfolio relates to Purchased Services costs. There has been an increase in demand in relation to hospital discharges and because there is an insufficient supply of home care and reablement services, this has driven increased placements into residential homes rather than into care at home. As a result, expenditure on independent sector placements has increased. The forecast includes inflationary pressures of £1.700m in respect of Direct Care utilities and catering supplies.
- 4.26 The forecast £1.834m overspend on the Highways Assets and Transport portfolio mainly relates to unachieved savings from previous years, additional costs arising from an increase to the workforce assigned to routine highways maintenance, and under-recovery of highways staff and overheads recharged to schemes. The forecast includes £1.200m of inflationary pressures. This forecast is after the use of £4.884m of departmental earmarked reserves.
- 4.27 The forecast £2.127m overspend on the Infrastructure and Environment portfolio has mainly arisen due to unachieved savings from previous years, £1.500 of inflationary pressures in the Waste Management service and unfunded posts of staff working on the Elvaston Master Plan. This forecast is after the use of £2.767m of departmental earmarked reserves.
- 4.28 The forecast £3.855m overspend on the Children's Services and Safeguarding and Education portfolios is partly due to a continued high demand for placements for children who are in care or unable to remain at home. The number of children requiring support is growing because the rate at which children enter care is greater than the rate at which children exit care, and because alternatives to care often require long-term financial support, leading to a growing number of arrangements to fund. Average cost increases are due to inflation and the need to make more higher cost placements with independent providers. Other factors contributing to the overspend include the impact of the 2022-23 pay award and inflation on traded and grant funded services within Education Support Services, the cost of covering vacancies in Children's Safeguarding services with agency social workers and supporting children with complex needs to remain with their families or maintain their current care placement. There is also an increase in the number of children who are eligible for Council-funded transport and an increase in average cost, with the increase in cost being due to both economic factors affecting contractors, and an increased need for more specialised vehicles to transport individual children.

- 4.29 The Children's Services and Safeguarding and Education portfolios forecast includes inflationary pressures of £0.898m, comprising £0.476m of energy costs, £0.335m of food costs and £0.087m of transport and fuel costs, excluding Home to School Transport which is covered by specific contingency budgets. Not all of these costs will be met from Council budget, as a number of services are funded by trading or grant income, however potentially this may impact on the contribution those services can make to corporate overheads.
- 4.30 The Council plans to support the Children's Services and Safeguarding and Education portfolios through allocations of a combination of ongoing budget growth and one-off funding to put these services on a sustainable financial footing by the time mitigation measures are able to stabilise the demand pressures on looked after children. Recent modelling suggests that demand pressures on looked after children are likely to level off by 2023-24. Analysis of current placement commitments, demographics and historic trends gives placements cost estimates ranging from £0.7m below to £2m above this forecast. There is also the potential for further increases in the number of children requiring placements or increases in average placement costs, giving an upper estimate of £4m above the forecast. A contingency budget is held to meet these potential pressures, and a balance of £1.182m would remain if the current forecast overspend of £2.040m is funded from this budget. It is considered likely that placement costs will increase during 2022-23 and may exceed the contingency budget. A contingency budget is also held to meet the potential pressures of a further increase in number of children eligible for transport, or further increases transport costs, and a balance of £1.919m would remain for mainstream and special needs Home to School Transport costs, if the current forecast overspend of £0.561m is funded from this budget. It is considered likely that costs will increase during the year but that it is unlikely these would exceed the contingency budget.
- 4.31 The forecast £2.487m overspend on the Corporate Services and Budget portfolio has mainly arisen in the Corporate Property division, primarily because of delays in achieving previously allocated savings. These savings are expected to be achieved over the coming years through rationalisation of the property base, with a consequent reduction in property running costs, and borrowing savings through use of the capital receipt to offset the need to borrow to fund the capital programme. PSP Derbyshire LLP will be the principle vehicle for delivering the savings. There is underachievement of the Industrial Development income target, which is based on full occupancy. Full occupancy cannot be achieved as vacancies occur during the turnover of lettings, and some units are offered at rents below market rates for occupying charities.

There is a further cost pressure related to incurring running costs on buildings that are awaiting disposal or repurpose. The forecast also includes estimated gas and electricity inflation, at 300% and 100% respectively, of £1.806m.

- 4.32 There is a forecast underspend on corporate budgets in 2022-23. The underspend on the Risk Management budget relates mainly to £7m of contingency funding shown as available to support expenditure which has been included in portfolio forecasts. There was also a £5m adjustment for Business Rates income. Business Rates income in 2021-22 was significantly reduced because of the impact of Covid-19 and the extent of recovery was uncertain at the time the Revenue Budget 2022-23 was set, with amounts finalised after. In addition, £4m relates to additional non-ringfenced grants and £1m to service pressure funding returned by a portfolio following receipt of grant income, all announced after the 2022-23 Revenue Budget was set. An underspend on the Debt Charges budget is forecast as the portfolio of the Council's long-term loans is repaid and interest on this debt reduces. A favourable variance is forecast in the Interest and Dividends budget. The Council utilises a range of investments to maximise its income on cash balances. Interest income includes interest accrued on the loan advances to Buxton Crescent Ltd. A small underspend on Corporate adjustments is forecast.
- 4.33 The Council continues to look at ways to save money and generate income, whilst trying to protect and deliver services suitable for the residents of Derbyshire. Significant consultation and planning timeframes are required to achieve many of these savings. Delays in agreeing proposals could result in overspends by departments, which would then deplete the level of General Reserve held by the Council, decreasing its ability to meet short term, unforeseeable expenditure. In many cases the proposals will be subject to consultation and equality analysis processes. Progress against budget savings targets is being closely monitored, with a programme of action underway involving the Council's Corporate Management Team. However, there is a heightened risk of not achieving a balanced budget, as a result of both cost pressures and savings slippage as a result of the Covid-19 pandemic and other factors.
- 4.34 The delivery of the Council's Five Year Financial Plan (FYFP) is heavily dependent on an adequate level of General Reserve. The need to maintain an adequate, risk assessed level of reserves has been a key part of the Council's success in both maintaining its financial standing and continuing to deliver high quality services.

- 4.35 The General Reserve stands at £32.133m at 30 September 2022. There are commitments against the General Reserve and the balance will be further reduced by the measures required to deliver the Council's FYFP noted in paragraph 4.34 above. In the Council's 2022-23 Revenue Budget Report, in a reasonable pessimistic forecast, the General Reserve was predicted to decrease to £9.522m by 2026-27. The adequacy of the Council's General Reserve balance is considered at paragraphs 4.62 to 4.64 below.

Portfolio Costs

- 4.36 There is a forecast Council portfolio overspend of £25.230m, after the use of £7.651m of departmental earmarked reserves and £0.695m of non-ringfenced grant funding provided by DLUHC from the remaining balance of the Covid-19 general emergency funding at 31 March 2022, carried forward to 2022-23 in an earmarked reserve. Budget of £0.695m is forecast to be allocated to portfolios to match the forecast additional cost and lost income of the Council's response to Covid-19 up to the end of March 2023, including the impact of slippage to the planned programme of savings which cannot yet be implemented as a result. This amount allows for any specific funding to offset the gross Covid-19 related costs which has already been forecast to be allocated to individual portfolios.
- 4.37 Portfolio costs are explained in more detail in Appendices 4 to 11.

Risk Management Budget

- 4.38 There is a forecast underspend on the Risk Management Budget of £17.354m in 2022-23.

Public

	Budget £m	Forecast Expenditure £m	Over / (Under) Spend £m
Pay Award 2022-23	6.789	6.789	0.000
National Insurance Social Care Levy	0.441	0.441	0.000
Local Government Pension Scheme Employer Contributions	0.014	0.014	0.000
Energy/Food	1.000	0.000	(1.000)
Pay and Price Issues	8.244	7.244	(1.000)
Street Lighting Energy	0.415	0.000	(0.415)
Children in Care Placements	1.222	0.000	(1.222)
Special Needs Home to School Transport	1.962	0.000	(1.962)
Mainstream Home to School Transport	0.518	0.000	(0.518)
Children in Care Placements (one-off)	2.000	0.000	(2.000)
Departmental Specific Service Pressures	6.117	0.000	(6.117)
General Contingency	0.116	0.000	0.000
Remaining Contingency Funding	14.477	7.244	(7.233)
Adjustment for Business Rates income	4.791	0.000	(4.791)
Business Rate Relief Grant	2.262	0.000	(2.262)
Revenue Support Grant adjustment	0.018	0.000	(0.018)
Food Info Allergen Labelling Grant	0.019	0.000	(0.019)
Extended Rights to Home to School Transport Grant	1.614	0.000	(1.614)
Additional Non-ringfenced Grants	3.913	0.000	(3.913)
Domestic Abuse Service Pressure	1.417	0.000	(1.417)
One-off Funding Returned from Departments	1.417	0.000	(1.417)
Total Risk Management Budget	24.598	7.244	(17.354)

4.39 The Risk Management Budget of £24.598m includes:

- £14.476m of remaining contingency funding set aside in the 2022-23 Revenue Budget. This comprises remaining pay and price issue elements of £8.244m, departmental specific service pressures of £6.117m and general contingency of £0.115m:
 - £6.789m for a 2022-23 pay award, considered at paragraphs 4.40 to 4.43 below;
 - £1.000m to support Departments with the rising cost of energy and food in non-school budgets, considered at paragraph 4.46 below;
 - £0.441m remaining balance of the forecast additional cost of a 1.25% increase in National Insurance contributions relating to the contingency amount for a 2022-23 pay award, though see paragraph 4.45 below;
 - £0.415m for an ongoing increase in street lighting energy costs;
 - £0.014m remaining balance for additional Local Government Pension Scheme employer pension contributions;
 - £5.702m additional funding for Children's Services, potentially required for rising costs, corporately held until the actual cost is known, with £3.222m for children in care placements, £1.962m for special needs home to school transport and £0.518m for mainstream home to school transport, and
 - £0.115m general contingency.
- £4.791m adjustment for Business Rates income. The amounts were finalised after the 2022-23 Revenue Budget was approved by Council on 2 February 2022.
- £3.913m of additional non-ringfenced grants that had not been announced when the 2022-23 Revenue Budget was approved by Council on 2 February 2022. This comprises:
 - £2.262m Business Rates Relief Grant;
 - £1.614m Extended Rights to Home to School Transport Grant;
 - £0.019m Food Allergen Labelling Grant; and
 - £0.018m Revenue Support Grant adjustment.
- £1.417m approved in the Council's 2022-23 Revenue Budget to fund ongoing service pressures managing additional statutory duties in relation to the Domestic Abuse Act 2021. These funds were returned unused from the Health and Communities portfolio as the portfolio was able to alternatively finance this pressure from a Domestic Abuse Grant for 2022-23, which had not been announced when the 2022-23 Revenue Budget was approved by Council on 2 February 2022.

4.40 The forecast expenditure of £7.244m on the Risk Management Budget is:

- £6.789m draw-down of contingency funding for a 2022-23 pay award;
- £0.441m draw-down of the remaining balance of contingency funding for the forecast additional cost of a 1.25% increase in National Insurance contributions relating to the contingency amount for a 2022-23 pay award; and
- £0.014m draw-down of the remaining balance of contingency funding for additional Local Government Pension Scheme employer pension contributions.

The following contingency amounts are shown as available to support expenditure which has already been included in portfolio forecasts:

- £1.000m to support Departments with the rising cost of energy and food in non-school budgets;
- £0.415m for an increase in street lighting energy costs; and
- £5.702 for Children's Services required for rising costs, with £3.222m for children in care placements, £2.480m for special needs and mainstream home to school transport.

4.41 The 2021-22 pay award for Local Government Service Employees (effective from 1 April 2021) has now been agreed. Employees on pay point 1 received an increase of 2.75%, those on pay point 2 and above an increase of 1.75%, and Chief Officers an increase of 1.50%, which results in a total cost to the Council of £4.189m. For 2021-22 budget purposes a sum of £2.313m was set aside for 'bottom loading' but there was no general increase, with the expectation that portfolios would pick up any additional costs. The agreed pay increase for 2021-22 left the Council with a shortfall of £1.876m in 2021-22 and a £1.896m ongoing pressure in each subsequent year. It was proposed to review the in-year position in 2022-23 alongside other demand and inflationary pressures, to ascertain whether additional budget can be allocated to departments to support the 2021-22 pay award on an ongoing basis. This is considered below.

4.42 Negotiations in respect of the 2022-23 pay award for Local Government Service Employees concluded on 1 November 2022. The National Employers' final one-year offer was agreed with the unions representing the main local government workforce as follows:

- With effect from 1 April 2022, an increase of £1,925 on all pay points covered by the Council's Pay Grades up to and including Grade 16, which is equivalent to a 10.5% increase for employees on pay point 1 and 4.0% for employees on the highest pay point, and an increase of 4.0 per cent on all allowances, except for travel rates.
- With effect from 1 April 2023, an increase of one day to all employees' annual leave entitlement and the deletion of pay point 1.

The final 2022-23 basic salary pay offer is equivalent to an average pay increase of 7.3% across the Council's workforce. Initial modelling suggests that the cost to the Council of the basic pay offer is around £19.866m in 2022-23.

- 4.43 The forecast additional 2022-23 budget pressure arising from the agreed 2021-22 pay award and the proposed 2022-23 pay award for basic pay is £21.762m. This will be an ongoing budget pressure in each subsequent year. In the 2022-23 Revenue Budget, the Council set aside contingency funding of £6.789m for the 2022-23 pay award and £0.446m for the associated additional on-cost from a 1.25% increase in employer's contributions. This leaves the Council with a forecast ongoing budget shortfall of £14.527m, in addition to the impact of the proposed 2022-23 increase in allowances and the proposed one day additional annual leave from 2023-24, which will put severe pressure on those services already deeply impacted by staffing availability and cost of provision, such as social care.
- 4.44 Not all of this ongoing pressure will fall to the Council. Some employees work in areas wholly funded by grants and it is essential that these grants take up their fair share of additional costs in line with their workforce cost, however, this may be too late for 2022-23 in respect of the Dedicated Schools Grant. A review of sales, fees and charges will identify amendments required in the short term to reflect additional associated workforce cost. An ongoing review of Traded Services, where the Council receives income in return for providing discretionary services to external organisations and/or individuals, will be accelerated, and should capture additional workforce cost, to accurately inform discussions and decisions regarding services' sustainability, as cost increases cannot be supported by base budget.

- 4.45 The reversal of April's 1.25% rise in National Insurance took effect from 6 November 2022 across the UK. It is estimated that this will result in an ongoing saving of £1.9m from 2023-24 and a £0.8m one-off saving in 2022-23. There will therefore be £0.7m of contingency funding for this purpose which is not required, after excess budget which has already been allocated to departmental budgets has been returned to the Risk Management budget. These changes have not yet been incorporated into the forecasts within this report; therefore, it is expected that the reported forecast outturn position before the use of earmarked reserves will improve by £0.8m after they are factored in.
- 4.46 Total inflationary pressures of around £7m have been identified and are included in portfolio forecasts.
- 4.47 The Council is lobbying the Secretary of State for Levelling Up, Housing and Communities, to reinforce the unaffordability in the medium term of the proposed local government 2022-23 pay award and general inflation on budgets. The £17.354m forecast underspend on the Council's in-year risk management budget is already fully depleted in reducing the portfolio overspend in this forecast. The Council's Revenue Budget 2022-23 set aside £1.000m to support Departments with the rising cost of energy and food in non-school budgets and the Outturn Report 2021-22 set aside a further £10m in an Earmarked Reserve to meet increasing inflation risks. These funds will be used on a one-off basis for 2022-23 support, where approved. Other one-off budget management earmarked reserves are also potentially available corporately and from departmental underspends, although the corporate reserve ordinarily supports one-off funding in the Council's annual Revenue Budget. As a last resort, there is also the Council's General Reserve. The adequacy of the General Reserve balance is considered below.
- 4.48 A decision on what, if any, additional budget will be available for allocation to departments to support these pressures on a one-off basis in 2022-23 and on an ongoing basis will not be made until more information is known in respect of the latest inflation and funding expectations, in respect of the agreed pay award, other inflationary costs and in respect of proposed mitigations. Consideration will be given to a new programme of in-year savings and review of the use of in-year growth items awarded to departments in the 2022-23 Revenue Budget, if it is decided that additional funds are required corporately for a fairer redistribution which better reflects in-year changes to budget pressures.

Debt Charges

- 4.49 The Debt Charges budget is forecast to be underspent by £0.824m in 2022-23.
- 4.50 Debt charges are based on interest payments, the Capital Financing Requirement (CFR) and a Minimum Revenue Provision (MRP) of 2.5% (in keeping with the policy reported to Cabinet on 22 November 2016).
- 4.51 The Council has paid off a number of external loans, which were used to support the Council's Capital Programme, in recent years, and has not undertaken further borrowing. This has led to lower interest payments, resulting in a forecast underspend for 2022-23.

Interest and Dividend Income

- 4.52 Interest and dividend income budgets are forecast to achieve income £1.858m higher than budgeted in 2022-23.
- 4.53 The interest base rate rose from 0.75% to 1.00% on 5 May 2022, to 1.25% on 16 June 2022, 1.75% on 4 August 2022, 2.25% on 22 September 2022 and to 3.00% on 3 November 2022. However, the Council utilises a range of investments, including pooled funds, to maximise its interest and dividend income on balances
- 4.54 The forecast underspend mainly relates to interest receipts on the Council's temporary loans to other local authorities, which are anticipated to exceed the expectation at the time the 2022-23 Revenue Budget was approved. Increases in base rate impacts favourably when the Council loans money to other local authorities, however this is offset by higher interest costs on its temporary borrowing from other local authorities.

Corporate Adjustments

- 4.55 There is a forecast underspend of £0.322m on Corporate Adjustments in 2022-23.
- 4.56 The forecast underspend reflects an anticipated saving of £0.449m from the Council paying its Local Government Pension Scheme 2022-23 employer contributions early.

Budget Savings

4.57 A summary of the achievement of budget savings targets for 2022-23 is provided at Appendix 14. The budget savings target for 2022-23 is £8.057m, with a further £14.905m target brought forward from previous years. Of the in-year savings target, £7.037m will be delivered in the current financial year. The Council is reviewing all of its savings initiatives and developing a programme of savings proposals to address the estimated funding gap over the medium term. Where savings have not been achieved in previous years and brought forward into the current financial year, mitigations and alternative savings delivery is being considered. Where there is non-achievement of savings brought forward, the resulting base budget overspend is offset to some extent by one-off underspends, one-off funding from earmarked reserves and additional grant funding received.

Debt Age Profile

4.58 The age profile of debts owed to the Council and the value of debts written off is disclosed in Appendix 15. This information is collected on a departmental rather than on a portfolio basis.

Earmarked Reserves

4.59 Earmarked reserves are held to meet known or predicted liabilities and the funds should be used for the item for which they have been set aside. Any funds no longer required are returned to the General Reserve. The Council reviews the level of earmarked reserves at least annually. The last review of earmarked reserves took place in December 2021 and was reported to Cabinet on 24 January 2022. The next review is scheduled to be reported in January 2023.

4.60 A summary of outstanding balances on the Council's earmarked reserves as at 30 September 2022 is set out in Appendix 13.

4.61 The Council's response to the Covid-19 pandemic and its effects on the Council's finances are expected to continue into 2022-23. Any funding received to support Covid-19 impacts, which had not been utilised by 31 March 2022, has been contributed to earmarked reserves or, where appropriate, carried forward as a receipt in advance. These amounts may be used to fund any further relevant expenditure arising as a result of the pandemic in 2022-23, or to meet other cost pressures if needed and grant rules allow.

General Reserve

4.62 The General Reserve stands at £32.133m at 30 September 2022. The level of General Reserve is £32.133m, after the forecast outturn for 2022-23, which is 5% of the Council's Net Budget Requirement for 2022-23. This assumes the forecast overspend in 2022-23 is funded from earmarked reserves, as detailed in paragraph 4.23.

General Reserve

	£m
Balance at 30 September 2022	32.133
Projected Outturn 2022-23	0.000
Forecast Balance at 31 March 2023	32.133

Net Budget Requirement 2022-23 **618.581**

General Reserve Balance as % of NBR at 31 Mar 2023 **5.19%**

- 4.63 The majority of chief financial officers consider an acceptable level of generally available reserves to be one that reflects a risk-based approach to potential liabilities. A relatively crude measure is to expect the resulting figure to be between 3% to 5% of a council's net spending, representing a prudent level of risk-based reserves. As at 30 September 2022, after the commitments above, the figure for the Council stood at 5.2%. However, it is necessary to consider this indicator over the medium term to gain a better understanding of its adequacy.
- 4.64 In the Council's 2022-23 Revenue Budget Report, in a reasonably pessimistic forecast, the General Reserve was predicted to decrease to 1.4% (£9.522m) of the Council's Net Budget Requirement by 2026-27. However, this forecast did not anticipate that inflation would be at current levels. It is now recognised that whilst the Council should be able to use one-off funding to balance its budget in the short term, the General Reserve is likely to be under too great a pressure in the medium term if additional funding is not received to support the Council through this period of high inflation. If additional funding is received, the Council would aim to use restorative measures over the Five Year Financial Plan to build back up the balance of the General Reserve to a reasonable, risk assessed level.

Portfolio Summaries

- 4.65 A summary of each of the individual portfolio performance and outturn positions for 2022-23 is detailed in Appendices 4 to 11.
- 4.66 Whilst budgets are monitored by portfolio, the individual portfolios are not separate entities. All the portfolios operate in conjunction with the others and it is important to consider the Council's budgetary position as a whole in the context of its Five-Year Financial Plan (FYFP) and its overall level of reserves.

Traded Services

- 4.67 A trading area is where the Council receives income in return for providing discretionary services to external organisations and/or individuals.
- 4.68 'Fully traded' trading areas are separately identifiable and have a net controllable budget of £0, i.e. there is an expectation that on average all the controllable expenditure within this area will be funded from external income. An overall deficit of £1.113m is forecast for 2022-23 on fully traded areas across the Council as a whole.
- 4.69 'Partially traded' trading areas do not have a net controllable budget of £0, but they do receive income from external entities which contributes to funding some of the discretionary services they provide. An overall excess of £1.277m compared to the budgeted income target is forecast for 2022-23 on partially traded areas across the Council as a whole.
- 4.70 Appendix 12 summarises the financial performance of the separate trading areas.

5. Consultation

- 5.1 No consultation is required.

6. Alternative Options Considered

- 6.1 N/A – the Council is required to outline its forecast revenue outturn position to ensure compliance with good financial management principles and to support the development of short and medium-term financial planning. Not producing a budget monitoring report would be contra to the Council's Financial Regulations which requires the reporting of variances of income and expenditure against budget allocation to be reported to Cabinet in line with the Budget Monitoring Policy.

7. Implications

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

- 8.1 None identified.

9. Appendices

- 9.1 Appendix 1- Implications.
- 9.2 Appendix 2 – Key to Performance Ratings
- 9.3 Appendix 3 – Performance Report 2022-23 Council Overview
- 9.4 Appendix 4 – Adult Care - Portfolio Summary
- 9.5 Appendix 5 – Children’s Services and Safeguarding and Education - Portfolios Summary
- 9.6 Appendix 6 – Clean Growth and Regeneration - Portfolio Summary
- 9.7 Appendix 7 – Corporate Services and Budget - Portfolio Summary
- 9.8 Appendix 8 – Health and Communities - Portfolio Summary
- 9.9 Appendix 9 – Highways Assets and Transport - Portfolio Summary
- 9.10 Appendix 10 – Infrastructure and Environment - Portfolio Summary
- 9.11 Appendix 11 – Strategic Leadership, Culture, Tourism and Climate Change - Portfolio Summary
- 9.12 Appendix 12 – Traded Services
- 9.13 Appendix 13 – Earmarked Reserves
- 9.14 Appendix 14 – Budget Savings Monitoring 2022-23
- 9.15 Appendix 15 – Aged Debt

10. Recommendations

That Audit Committee:

- 10.1 Notes the update of Council Plan performance and the Revenue Budget position/forecast outturn for 2022-23 as at 30 September 2022 (Quarter 2).
- 10.2 Notes the position on General and Earmarked Reserves.

11. Reasons for Recommendations

- 11.1 The forecast outturn report provides a summary of the expected overall financial performance and use of resources against the Council's approved budget for the financial year 2022-23. The outturn position supports the development of budgets in both the short and medium term.
- 11.2 Performance information is important as it enables the Council and the public to see how well the Council is delivering services and where it needs to make improvements.
- 11.3 The balances of both the General and Earmarked Reserves support good financial planning.

12. Is it necessary to waive the call in period?

- 12.1 No

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Appendix 1

Implications**Financial**

- 1.1 An overall Council overspend of £17.872m is forecast, after accounting for the use of £0.695m of non-ringfenced grant funding provided by the Department for Levelling Up Housing & Communities (DLUHC) to support local authorities with the impacts of the Covid-19 pandemic. The forecast also includes the use of £7.651m from departmental reserves to support the Highways Assets and Transport and Infrastructure and Environment portfolios. However, the Council will use some of the balances on its Budget Management, Covid-19 and Inflation Earmarked Reserves to report a break-even position, as shown in the table below. Whilst the use of earmarked reserves, in-year, will result in the Council reporting a break-even position, the impact of the unfunded pay offer, demand pressures and inflationary costs will need to be addressed as part of the budget setting process for 2023-24 as the effect will be an ongoing cost pressure.

Reserve	Balance Available £m	Use to fund identified Covid impacts £m	Use to fund overspend £m	Residual £m
Inflation Risks	10.000	0.000	6.200	3.800
Budget Management Covid Emergency Grant	10.000	0.000	10.000	0.000
	15.370	0.695	1.672	13.003
	35.370	0.695	17.872	16.803

Legal

- 2.1 None.

Human Resources

- 3.1 None.

Information Technology

- 4.1 None.

Equalities Impact

5.1 None.

Corporate objectives and priorities for change

6.1 The Council Plan values commit to spending money wisely, making the best use of the resources that the Council has.

6.2 High inflation and the proposed pay award for 2022-23 has increased the financial uncertainty for all local authorities. The Council is committed to ensuring that it sets a balanced budget over the medium-term, therefore ensuring good financial management and use of reserve balances to meet the costs of any unforeseeable events arising from the pandemic

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 None.

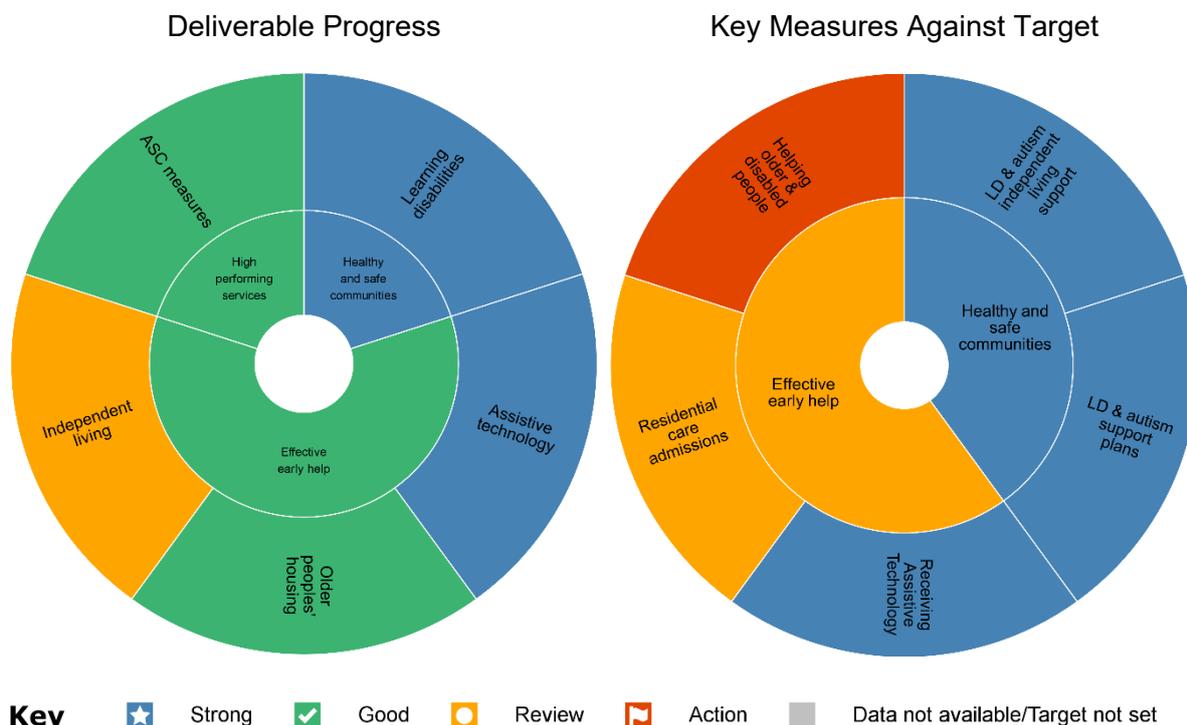
Appendix 2

Key to Performance Ratings

	Strong 	Good 	Review 	Action 	Unknown 
Council Plan Deliverables	On track or complete with outcomes exceeding expectations /requirements.	On track or complete with outcomes in line with expectations/ requirements.	Some risk to achieving timetable and/or outcomes.	Unlikely to achieve timetable and/or not delivering required outcome.	Data measuring the performance of these deliverables continues to be suspended due to Covid-19.
Council Plan Measures	More than 5% better than target.	Less than 5% better than target but not less than 2% worse than target.	Between 2% and 10% worse than target.	More than 10% worse than target.	No data received or no target set.
Service Lines Outturn		Outturn below budget.	Outturn less than or equal to 2% over budget.	Outturn more than 2% over budget.	
Portfolio Outturn		Outturn below budget.		Outturn over budget.	
Budget Savings		Forecast savings better than target.		Forecast savings worse than target.	

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Adult Care - Portfolio Summary



Progress is "good" or "strong" for the majority of the Council Plan deliverables led by the portfolio.

Key areas of success are:

- ★ **Worked with people with learning disabilities, recovering from mental ill health and/or autism to develop Council services to ensure they are tailored to meet individuals needs and help people achieve their personal goals**

Progress continues to be made in ensuring people with a learning disability and / or who are autistic have an outcome focussed support plan, with 489 plans in place to date, ensuring access to more community-based opportunities.

- ★ **Commissioned and procured a new assistive technology service offer to support people with social care needs to live independently in the community**

During the quarter 215 people have been referred for Assistive Technology, helping to provide support and promoting independence in people's own homes.

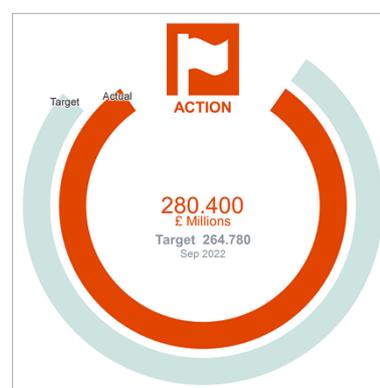
Key areas for consideration are:

Finalised the new ways of working with older people and people with a disability to increase their independence so that they remain part of their local communities

Issue: Progress is being delayed by a shortage of homecare to support people to be independent in their own homes. This is a national issue and not unique to Derbyshire. **Response:** As part of the Short Term Service review work has been undertaken to create new job profiles and structure for the service which have been approved. Whilst this is good progress there still remains a shortage of homecare support.

There is a forecast overspend of £15.620m on the portfolio. The main variances are:

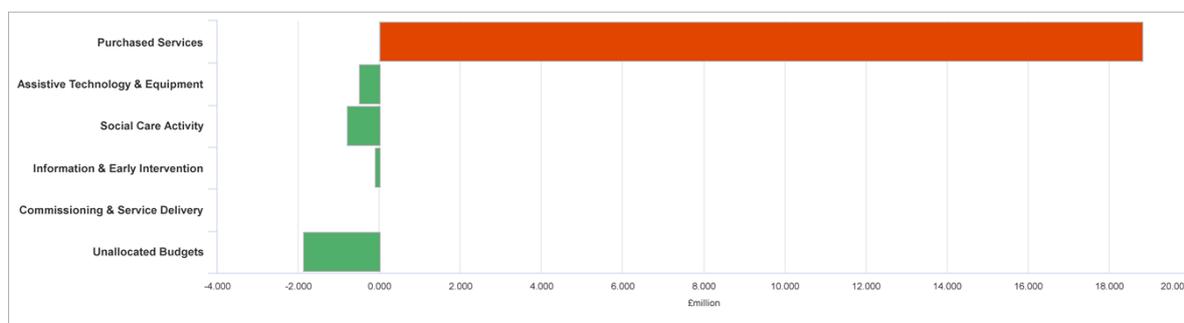
Forecast Outturn against Target Budget



Purchased Services, £18.824m overspend - There has been an increase in hospital discharges and because there is an insufficient supply of home care and reablement services, this has driven increased placements into residential homes rather than into care at home. As a result, expenditure on independent sector placements has increased. This is partially offset by underspends on the Direct Care home care service, due to recruitment difficulties, and Council-run Direct Care homes for older people, due to planned re-provision and efficiencies. The forecast includes inflationary pressures of £1.700m in respect of Direct Care utilities and catering supplies.

- ✓ Social Care Activity, £0.785m underspend** - Underspend on staff pay and travel due to vacancies in the social work team.
- ✓ Unallocated budgets, £1.853m underspend** - Additional Continuing Health Care Funding forecast.

Forecast Under (-)/Over Spend by Service Line



The budget savings target for 2022-23 is £6.811m, with a further £2.570m target brought forward from previous years. £6.291m of the in-year savings target will be achieved, of which £2.550m will be met from alternative one-off savings. Delivery of brought forward and some 2022-23 base budget savings has been deferred to future years.

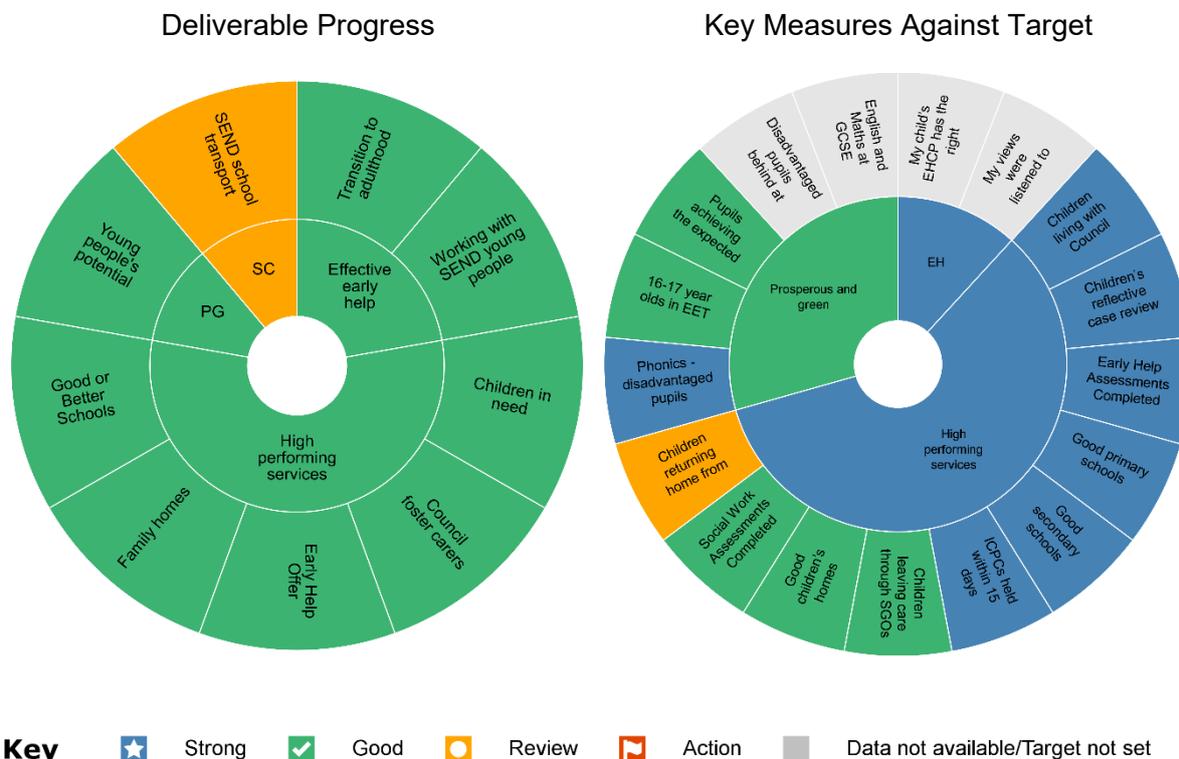
Additional funding has been provided in the 2022-23 budget for the main growth items:

- Demographic Growth - £5.016m ongoing - Increases in 65+ population, the number of disabled adults accessing services, cases of early onset of dementia, the complexity of need and the complexity of clients transitioning from Children's Services.
- Pay Award 2021-22 - £0.923m ongoing
- National Insurance Social Care Levy - £0.531m ongoing – additional cost of a 1.25% increase in employer National Insurance contributions from April 2022, ring-fenced for health and social care.
- Employer Pension Contributions - £0.248m ongoing, £0.531m one-off – additional Local Government Pension Scheme employer pension contributions, which are required because of a difference between forecast pensionable pay when contributions were agreed and actual pensionable pay experience.
- Independent Sector Fees 2022-23 - £12.257m ongoing - Due to the increase in the National Living Wage each year, there has to be an above inflation increase in the independent sector care home fees the Council pays, to reflect the additional cost pressures on the providers.

Other significant additional items of funding that the portfolio is expected to receive or has received since the budget was set are:

- Former Independent Living Fund Grant (ILF) - £2.534m one-off - On 8 March 2022, the Government confirmed that the former ILF recipient grant will continue to be paid to local authorities in 2022-23.

Children's Services and Safeguarding and Education - Portfolio Summary



Progress is "good" for the majority of the Council Plan deliverables led by the portfolio.

Key areas of success are:

- Consistent, high quality early help and safeguarding services for children and families - we continue to see positive impact from activity across early help and safeguarding services with improving practice consistency and sustained performance across a range of performance measures. In September 2022 Ofsted completed a focused visit under the ILACS framework which looked at children in need and subject to a protection plan. Whilst focused visits do not provide a graded judgement the letter which results from the inspection visit provides a strong narrative in regard to the quality of services provided to children and families. We are currently waiting for the publication of the final letter, however the headline feedback was very positive and demonstrated a continued strong direction of travel for quality of services in Derbyshire.
- Proportion of children and young people attending good or better schools - during the academic year 2021-22, Derbyshire has seen a faster rate of improvement than that seen nationally for both primary and secondary pupils. Although the gap with national has narrowed, proportions remain lower than comparators, particularly at secondary

level, and the deliverable will remain a priority for the 2022-23 academic year.

- Working with education providers to continue catch-up on learning - activities this quarter have included the launch of a 'Confident Communicators and Readers' programme aimed at supporting Derbyshire schools and settings to improve outcomes in communication, language and reading from the early years to Year 7. Provisional 2021-22 data for the percentage of pupils reaching the required standard in Phonics suggest improved comparator performance and a narrowing of the gap between disadvantaged and non-disadvantaged pupils. Latest figures on the percentage of Derbyshire 16 to 17 year olds in education, employment or training continue to track within the top quartile nationally.

Key areas for consideration are:

- Work to review how the Council delivers home to school transport for children with special educational needs (SEND) - the focus of activity during Quarter 2 has been on the decision-making process and how Children's Services can best assess the need for home to school transport to enable Place to plan the most effective use of resources. A pilot panel process has been established which will start at the end of October. This will help identify information needs and timing dependencies to help shape a plan for more effective delivery going forwards.

There is a forecast overspend of £3.855m on the portfolio.

The overspend is before any allocations from contingency budgets held to fund rising costs and demand in Children in Care (CiC) placement and Home to School Transport costs. If draw down from those contingencies is approved the department projected overspend would reduce to £1.254m.

The projected overspend would reduce further to £0.799m if funding is made available to departments to meet the 2021-22 pay award budget allocation shortfall. The overspend includes the estimated impact of the 2022-23 pay award on traded and grant funded services giving rise to cost increases £1.6m above the initial projection based on a 2% pay award, much of which is not recoverable where prices or income streams are fixed. The projected outturn assumes the 2022-23 pay award can be met from the Council budget held for that purpose.

Forecast Outturn against Target Budget



Projections include inflation. Current estimates of inflation pressures are £0.476m increase on energy costs, £0.335m increase on food costs and £0.087m on transport and fuel excluding Home to School Transport which is covered by specific contingency budgets. Not all of these costs will be met from Council budget as a number of services are funded by trading or grant income however potentially this may impact on the contribution those services can make to corporate overheads. It is estimated that the inflation pressures listed account for approximately £0.220m of overspend against council budget and if funding were to be made available to departments to meet those, the Children's Services overspend would reduce further to £0.579m. The wider impact of inflation and cost of living increases on costs and demand for services is as yet too uncertain to include in outturn projections.

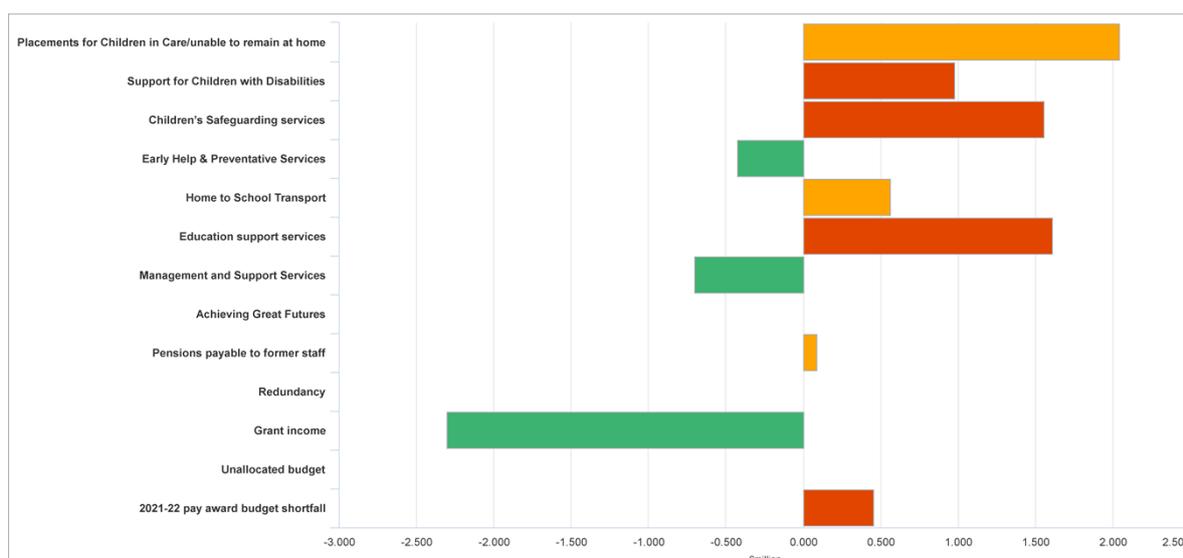
The main variances are:

-  Placements for Children in Care/Unable to remain at home, £2.040m overspend - Expenditure on placements for children in care or alternatives to care is continuing to rise due to an increase in the number and cost of placements. The number of children requiring support is growing because the rate at which children enter care is greater than the rate at which children exit care and because alternatives to care often require long-term financial support leading to a growing number of arrangements to fund. Average cost increases are due to inflation and the need to make more higher cost placements with independent providers. This overspend could be met from the CiC placements contingency budget which is being held to meet this anticipated budget pressure.
-  Support for Children with Disabilities, £0.974m overspend - Primarily due to the need to provide high cost packages to support children with complex needs to remain with their families or maintain their current CiC placement.
-  Children's Safeguarding services, £1.554m overspend - Due to the cost of employing agency social workers to cover vacancies.
-  Early Help & Preventative Services, £0.424m underspend - Temporary vacancies
-  Home to School Transport, £0.561m overspend - Projected spend exceeds current allocated budget due to an increase in the number of children eligible for Council funded transport and an increase in average costs. The increase in cost is due to both economic factors affecting contractors and an increased need for more specialised vehicles to transport individual children. This could be met from the Home to School Transport contingency budget which is being held to meet this anticipated budget pressure.
-  Education support services, £1.611m overspend - Includes the estimated impact of 2022-23 pay award and inflation on traded and grant funded

services. An overspend and under recovery of overheads totalling £1.351 is predicted on the Schools Catering service, primarily because of the pay award, energy prices and the rising costs of food.

- ✓ Management, ICT, Business services and other support services, £0.703m underspend - Underspend is primarily temporary vacancies within Business Services.
- ✗ Pensions payable to former teachers and other staff, £0.089m overspend - These costs represent pension obligations payable to teachers and other staff previously employed by the Authority. The majority of the cost relates to staff who left under efficiency programmes during the early 1990s.
- ✓ Grant income, £2.303m underspend - This underspend comprises in-year grant funding of which the largest item is the allocation from the Dedicated Schools Grant of £0.889m for Early Help services. These may not be available on an ongoing basis so these are used to mitigate against current levels of spend.

Forecast Under (-)/Over Spend by Service Line



The budget savings target for 2022-23 is £0.046m, with a further £0.678m target brought forward from previous years. The in-year savings target of £0.046 will be achieved. The prior-year savings target of £0.678 will also be achieved.

Additional funding has been provided in the 2022-23 budget for the main growth items:

- Leaving Care Services - £0.629m ongoing - Legislation has been enacted which places additional statutory duties on the Authority for care leavers. This ongoing allocation of funding ensures the Leaving Care Service staffing structure agreed in 2019 can be funded on a long term basis to meet the demands of the rising numbers of care leavers

and continue to develop to support sustainable outcomes for care leavers.

- Education Psychology Demand - £0.210m ongoing - There has been a significant increase in the numbers of Education, Health and Care Needs Assessments (EHCNAs) agreed each year and it is a statutory requirement for the Local Authority to commission advice from an Educational Psychologist for each EHCNA. Funds additional EPs to ensure that statutory requirements can be carried out.
- Children's social care - Placements for children in care - £6.096m ongoing, £0.092m one-off - The allocation recognises the greater numbers of children requiring placements and increased average costs of placements. £1.222m is held in contingency for ongoing growth with another £2.000m contingency for one-off growth, taking into account the expected benefits delivery from cost mitigation activities taking place as part of the Achieving Great Futures programme. Data for the first quarter of the financial year suggests growth in excess of current budget of £2.040m, which could be met from contingency. Further increases are considered likely and could utilise the remaining contingency budget.
- Children's social care - Vulnerable Children and Young People - £1.135m ongoing - The allocation recognises the greater numbers of children in care requiring support in addition to a care placement and on the edge of care requiring support to prevent entry to care.
- Children's social care - Disabled Children complex needs support to remain at home - £0.450m ongoing - Funding for direct payments to families with disabled children. The number of children supported in this way has increases over recent years and includes a greater number of children with highly complex needs receiving extensive care packages to enable them to remain at home having.
- Home to School Transport - £3.000m ongoing - The allocation recognises the greater numbers of children and young people with SEN and increased cost of journeys. £2.480m is held in contingency for further increases in transport costs and demand. Data for the first quarter of the financial year suggests growth in excess of current budget of £0.561m and further increases are considered likely and would require a greater draw down of contingency.
- Social Workers - £0.400m one-off - To fully fund the frontline social work structure and the market supplement, without the need to hold a level of vacancies which would be counter-productive in meeting the statutory demands to help, protect and care for children in Derbyshire. The market supplement payment for social workers in frontline

children's social work teams was introduced in July 2019 to support the Council's recruitment strategy.

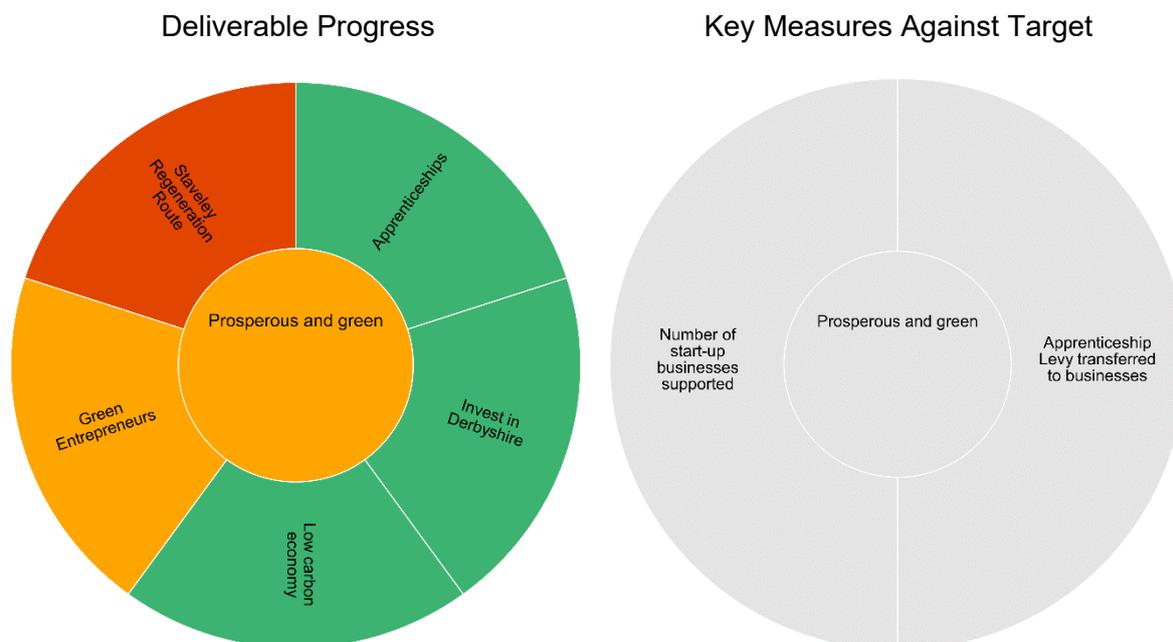
- Performance, Quality and Participation - £0.291m one-off - Funding to support service pressures in complaints management and subject access requests (SARS).
- Process Improvement - £0.193m one-off - To fund a dedicated team to review and improve processes within Children's Services.
- Elective Home Education - £0.360m one-off - Over the last year nationally and locally there has been a large increase in the number of Electively Home Educated (EHE) children. Funding to extend the EHE team to meet statutory functions to manage applications, determine whether there are any safeguarding risks and assess whether their education is suitable.
- Children in Care Legal Proceedings - £1.100m one-off - This allocation is for the expenditure associated with court proceedings which have increased in number and duration, incurring higher court fees and requiring greater use of external legal firms.
- Sports and Outdoor (SORE) - £0.980m one-off - Funding is to support the service during 2022-23 pending a review of the needs of the service moving forwards.
- Youth Action Grants - £0.125m one-off - To deliver the 2021 election manifesto commitment for a further Youth Action Grant Scheme to supported voluntary and community groups across Derbyshire.
- Temporary Alternative Children's Homes Accommodation During Refurbishment or Replacement - £0.946m one-off - One-off contingency budget to fund temporary accommodation to enable essential refurbishment at four children's homes and the rebuild of a short breaks home. The contingency has been drawn-down and a revenue contribution to capital made to support the Childrens Home refurbishment programme as approved by Cabinet on 16th June 2022.
- Pay Award 2021-22 - £0.611m ongoing
- National Insurance Social Care Levy - £0.366m ongoing – additional cost of a 1.25% increase in employer National Insurance contributions from April 2022, ring-fenced for health and social care.
- Employer Pension Contributions - £0.171m ongoing, £0.366m one-off – additional Local Government Pension Scheme employer pension contributions, which are required because of a difference between

forecast pensionable pay when contributions were agreed and actual pensionable pay experience.

Other significant additional items of funding that the portfolio is expected to receive or has received since the budget was set are:

- Programmes Team - £0.392m one-off - One year funding via the Corporate Services and Transformation Programme Management Office budget to continue dedicated project resource to effect change and deliver one-off initiatives within Children's Services.

Clean Growth and Regeneration - Portfolio Summary



Key ★ Strong ✓ Good ◯ Review 📌 Action ■ Data not available/Target not set

Progress is "good" for the majority of the Council Plan deliverables led by the portfolio.

Key areas of success are:

- ✓ **Worked with Derbyshire businesses to support the creation of apprenticeship opportunities in key economic sectors, connecting people to local job opportunities**

The number of apprentices and businesses supported are both on target, supporting key economic sectors.

Key areas for consideration are:

- 📌 **Completed Outline Business Case and prepared a planning application to progress the Chesterfield to Staveley Regeneration Route, which will create new homes and jobs for the area**

Issue: Scheme cost is the main issue with both Government and local contributions needing to be confirmed. **Action:** Active discussions are underway with both Government and private sector stakeholders over project funding.

- ◯ **Rolled out the Green Entrepreneurs scheme, a £2m grant fund to help local business to develop and invest in green energy and carbon reduction**

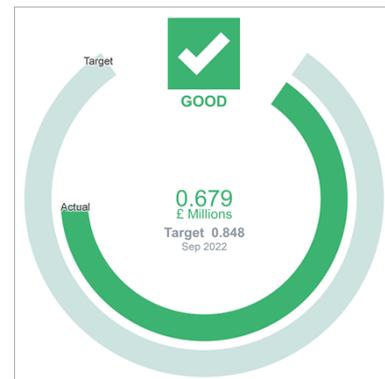
Issue: Although progress is being made on the programme there is a lack of green entrepreneurial businesses coming forward, in addition to the impact of the current economic climate. **Response:** Work is taking place with the University of Derby to intensify networking opportunities to engage further with businesses and raise the awareness of the Green Entrepreneur Fund.

There is a forecast underspend of £0.169m on the portfolio.

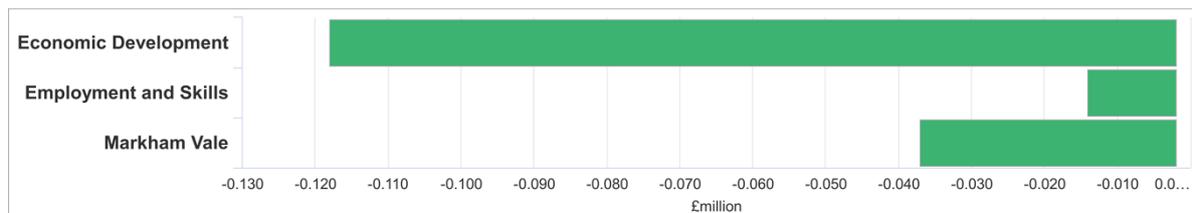
There were no significant variances within this portfolio.

There are no budget savings allocated to this portfolio.

Forecast Outturn against Target Budget



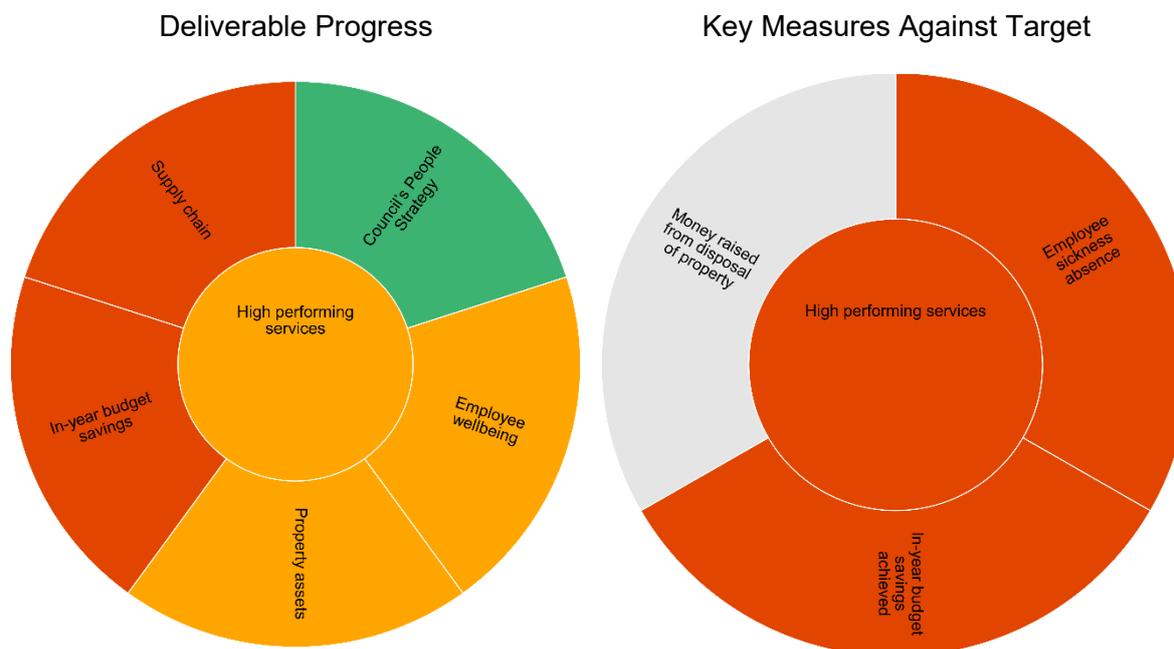
Forecast Under (-)/Over Spend by Service Line



Additional funding has been provided in the 2022-23 budget for the main growth items:

- Regeneration Services Development - £0.275m ongoing, £0.140m one-off - Additional resources to grow core establishment as demands on the service continue to grow. Implementation of a grants and bidding team who once established should become self funding.

Corporate Services and Budget - Portfolio Summary



Key ★ Strong ✓ Good ● Review 📌 Action ■ Data not available/Target not set

Progress is "good" for 1 out of the 5 Council Plan deliverables led by the portfolio.

Key areas of success are:

- All departmental people plans have been refreshed and work continues to align these to workforce planning and the wider deployment of people initiatives.
- A risk-based inspection programme for Council premises for 2022-23 has been developed and agreed and is well underway. A self-inspection form and associated guidance has been published for those premises not included in the formal inspection programme and reminders have been issued to managers to complete this. The risk profiling methodology which was trialed within Place was well received.
- The Council as part of the wider Integrated Care System Wellbeing Group participated in the Vitality Health Britain's Healthiest Workplace Survey. 464 employees completed the survey, the highest return of any of the organisations within the system. The survey has generated a multitude of data covering a number of metrics that will be used to inform the Council's wellbeing offer going forwards.

Key areas for consideration are:

Reviewed the Council's Wellbeing Strategy and associated action plan to further support employee wellbeing, reduce sickness absence and improve service delivery

Issue: Employee sickness absence is 5.7% up to September 2022, against a year end target of 4.6%. Whilst sickness levels have risen during the quarter, it is believed that this is due to a significant degree to the continuing Covid-19 pandemic and therefore is outside the Council's control. **Action:** Work is underway to refresh the sickness data further to better understand the direct effect that Covid-19 is having on sickness levels and to break down further the underlying causes of sickness across the largest identified primary causes of sickness. Sickness levels continue to be reported to Departmental Senior Management teams on a regular basis. Teams where the sickness levels are higher than the Council average have been identified for further investigation.

Completed a programme to centralise ownership, management, and responsibility for all of the Council's land and property assets and budgets, within Corporate Property, to ensure the most effective use of our land and buildings

Issue: This has been rated as "Requiring Review" due to the uncertain market and economic conditions, their impact on Council and partner resources, market interest in land sales and value over the term.

Response: The impact of economic conditions on delivery targets will continue to be monitored and reported as national and regional conditions unfold.

Kept on track to achieve all planned budget savings in the current year

Issue: It is forecast that of the in-year savings target of £8.057m, £7.037m will be achieved in the current financial year. **Response:** The Council is reviewing all of its savings initiatives and developing a programme of savings proposals to address the estimated funding gap over the medium term. Where savings have not been achieved in previous years and brought forward into the current financial year, mitigations and alternative savings delivery is being considered.

Implemented a contract and supply chain management regime across the Council which drives value for money throughout the contract lifecycle

Issue: There is an unprecedented demand for procurement and contract management staff. This is impacting on our ability to recruit into procurement and contract management vacancies and causing significant delays to establishing and implementing the Council's contract management framework which is key to this deliverable. **Action:** Various recruitment campaigns continue to be run, combined with changes to the

recruitment process to make it easier for candidates to apply. While this is being addressed, some work is being progressed regarding contract management training and the implementation of the Council's Sustainable Procurement Policy.

There is a forecast overspend of £2.487m on the portfolio after the allocation of £0.695m of DLUHC Covid-19 emergency grant funding. Before the allocation of this funding, the main variances are:

❑ Strategic Management, £0.314m overspend – Due to unallocated departmental savings of £0.725m.

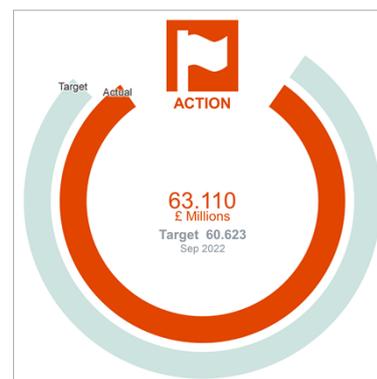
❑ Legal services, £0.420m overspend - The forecast overspend for Legal is primarily due to non-achievement of savings targets (unachieved targets carried forward into 2022-23 of £0.378m). There are plans in place for achievement of these savings targets. It is also a result of a salaries budget shortfall, which on a fully resourced section is £0.952m. This has been masked in previous years due to one-off funding and a budget pressure has been put forward to close the gap.

Legal Services has also received additional funding this year of £0.904m for additional posts in the Childcare & Education teams, recruitment of these posts is expected to take place in October with the posts expected to be filled by January 2023 and this has therefore positively impacted on the budget position

The current forecasts for Legal Services do not reflect any income or achievement of savings from the new operating model known as Core Offer, although it is hoped that some level of savings will be delivered this financial year. Although it is still unknown at this stage, the impact of introducing the Core Offer, more will be known after the Q2 reports have been finalised. Further work is ongoing to try and forecast the benefits and to address any issues that may arise. Research has shown substantial benefits have been delivered in other Local Authorities that have introduced a similar operating model.

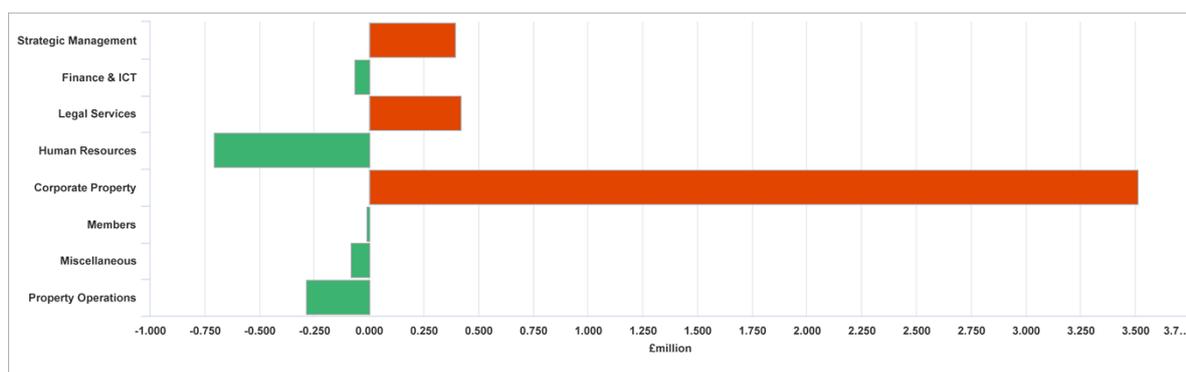
✅ Human Resources, £0.706m underspend - Unfilled vacancies of £0.364m including in the Business Change team, which will not be filled until later in the year, £0.295m of income targets which cannot be achieved and a £0.180m underspend on the training budget, arising due to a review of the Learning & Development Section that has resulted in the training programme not being completed this financial year.

Forecast Outturn against Target Budget



- Corporate Property, £3.511m overspend - The main overspends are on the Corporate Property Division of £1.065m; the County Buildings budget of £1.764m and as a result of the under achievement of the Industrial Development income target of £0.538m. The overspend is primarily due to the non-achievement of historic savings targets. These savings are expected to be achieved through the rationalisation of the Property base and consequent reduction in Property running costs and borrowing savings on Capital receipts. There will be best efforts to achieve this target through PSP Derbyshire LLP as the principle method of delivering the savings target. It is estimated gas and electricity inflation at 300% and 100% respectively account for £1.806m of the forecast overspend.
- Property Operations, £0.284m underspend - A surplus on the DSO as a result of increased charge-out rates, which are now taking effect. Also, as a result of officers managing overheads and surpluses across the Construction & Maintenance trading accounts from quoted works.

Forecast Under (-)/Over Spend by Service Line



The budget savings target for 2022-23 is £0.444m, with a further £4.397m target brought forward from previous years. The in-year savings target of £0.444 will be achieved. £2.555m of savings brought forward from previous years will be achieved before the end of the financial year.

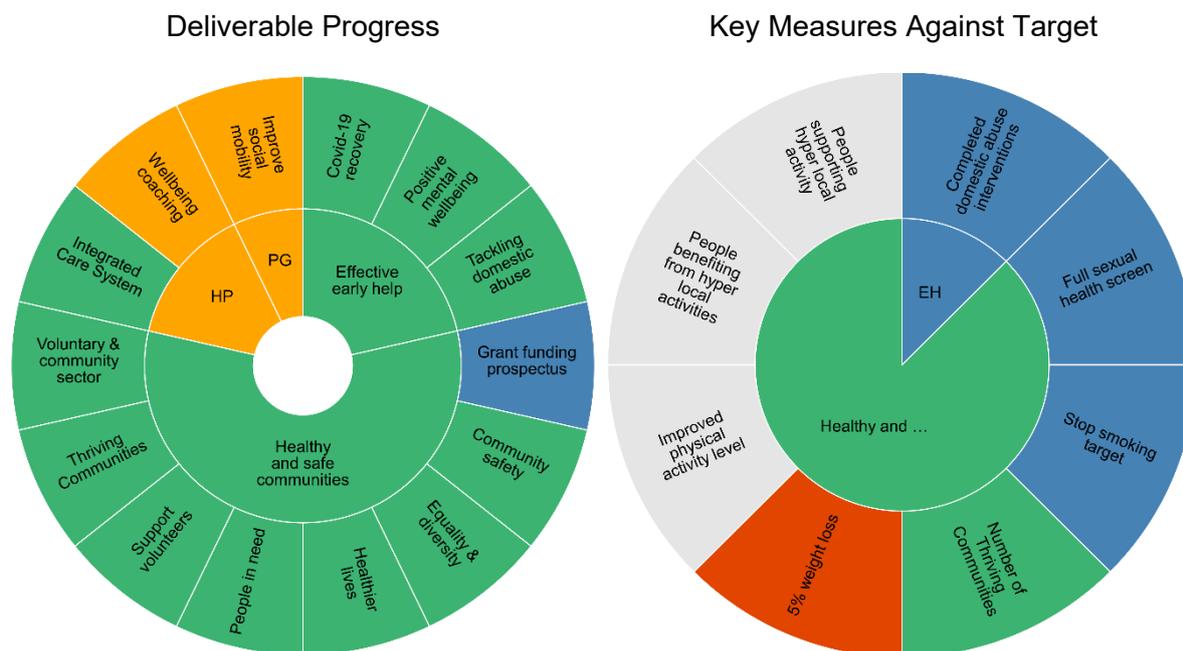
Additional funding has been provided in the 2022-23 budget for the main growth items:

- Finance & ICT-Procurement Staff Restructure - £0.095m ongoing - To support the response to the new National Procurement Policy Statement (NPPS).
- Finance & ICT-Cloud Storage - £0.400m ongoing - To purchase licences for the new soft telephony solution.
- Finance & ICT-Delivery Priorities - £0.200m ongoing - To invest in the ICT Strategy which has the need to increase the ICT Budget by £1m (£200K per year) over the 5-year strategy period to support the delivery of the priorities.

- Finance & ICT-Software Asset Management Tool - £0.062m ongoing, £0.025m one-off - To purchase a Software Asset Management tool (SAM).
- Finance & ICT-Centralised Procurement - £0.085m ongoing - To provide a procurement Team for Children Services.
- Project Support-External Advisors - £3.000m one-off - Technical and professional support for waste matters.
- Finance & ICT-Revenue Financing Costs for Capital Bids - £2.925m ongoing - This reflects the financing costs associated with the additional borrowing that is required to support new starts in the capital programme.
- Legal Services-Child Protection - £0.730m ongoing - To appoint additional staff to work in the Child Protection Team.
- Legal Services-Education Legal team - £0.174m ongoing - For additional support required for the Education Legal Team.
- ODP-Business Change & Programme Mgt teams - £1.020m ongoing, £0.020m one-off - To ensure the Council can more effectively deliver and implement one council change and strategic transformation.
- ODP-Domestic Abuse - £1.417m ongoing - To enable the development and delivery of a long-term comprehensive commissioning strategy on Domestic Abuse.
- ODP-Community Safety - £0.254m ongoing - To support new activity required to meet statutory duties in respect of Community Safety.
- ODP-Vision Derbyshire annual contribution - £0.088m ongoing - To support the Council's contribution to the Vision Derbyshire Programme resource.
- ODP-Equalities - £0.092m ongoing - To support the implementation of the Council's new Equality, Diversity, and Inclusion Strategy.
- ODP-Channel Shift - £0.034m ongoing - To support the Team working on Channel Shift.
- Pay Award 2021-22 - £0.531m ongoing
- National Insurance Social Care Levy - £0.281m ongoing – additional cost of a 1.25% increase in employer National Insurance contributions from April 2022, ring-fenced for health and social care.

- Employer Pension Contributions - £0.132m ongoing, £0.281m one-off – additional Local Government Pension Scheme employer pension contributions, which are required because of a difference between forecast pensionable pay when contributions were agreed and actual pensionable pay experience.

Health and Communities - Portfolio Summary



Key Strong Good Review Action Data not available/Target not set

Progress is "good" or "strong" for the majority of the Council Plan deliverables led by the portfolio.

Key areas of success are:

- Throughout Quarter 2 Public Health has continued to provide support to people and communities in need, including financial wellbeing via the Derbyshire Discretionary Fund. Demand for these services continues to be high due to the ongoing cost of living crisis and the support provided by the Household Support Fund, which is administered via the Derbyshire Discretionary Fund. There have been 7,112 awards in Quarter 2 totalling £775,386. This is comprised of £617,737 in emergency cash payments and £157,679 in exceptional pressure grants. Household Support Grant funding has been used to support expanded provision of Emergency Cash Payments, allowing an increase in the number of awards made and the value of the awards. The 7,112 Emergency Cash Payment awards include 5,605 awards from the Household Support Fund, which do not count towards the maximum amount of Emergency Cash Payments an applicant is allowed to receive from the Fund.
- During Quarter 2 as part of mental health and suicide awareness the 'Let's Chat Derbyshire' sign campaign was launched which will further develop planned for Quarter 3. Following a pilot in Chesterfield, Erewash and High Peak the 'Snapp It' project has been approved to

deliver a 1-year mental health engagement project, starting in September 2022. A wide range of events have been attended to raise awareness on mental health and suicide including attendance at 5 football matches and a range of Pride events, country shows and the Y Not Festival.

- The Integrated Care Partnership (ICP) has been meeting in shadow format throughout Quarter 2 to further develop governance and working arrangements. The Council has led a piece of work which has ensured that the Health and Wellbeing Board governance effectively links in and aligns with the ICP. The Derbyshire HWB has reviewed draft revised Terms of Reference, and these have been consulted on throughout Q2.

Key areas for consideration are:

Number of participants in Council weight management programmes who achieve 5% weight loss

Issue: The number of participants in Council weight management programmes who have achieved a 5% weight loss during Quarters 1 and 2 is predicted to be 110 against a target of 140, whilst below target benchmarking information shows that based on confirmed rates for the achievement of 5% weight loss from Quarter 1, Derbyshire has slightly higher figures than the national average. **Action:** Live Life Better Derbyshire continues to expand its community face to face offer, and are exploring measures to improve client retention rates.

Developed a longer-term preventative wellbeing coaching model that offers health and wellbeing advice to prevent, reduce and delay the need for adult social care services

Issue: Workload and demand for services have resulted in altered priorities. Timescales for project tasks have been delayed due to this. **Response:** A meeting is being held in October 2022 with project leaders to establish a plan and timescale with the aim of completing all outstanding pieces of work by end of March 2023.

Worked with partners through the Vision Derbyshire approach to develop a countywide approach to improve social mobility, targeting underperforming areas across the county

Issue: There have been difficulties in recruiting to the Vision Derbyshire programme team which will take forward this work. **Response:** Work is taking place to review current hosting arrangements for the programme team alongside a light touch review of the Vision Derbyshire approach which will consider the resourcing of the approach and recruitment to the vacant posts.

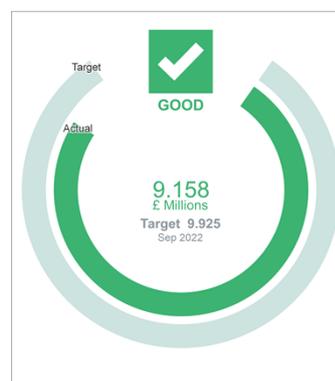
Key areas to note are:

- The latest data for Quarter 2 shows that at the end of September there was a small increase in those testing positive for Covid-19 and this will be closely monitored.
- For substance misuse we have encountered some challenges as a result of the grant programme being approved on an annual basis by HM Treasury which has created some obstacles for partners in terms of recruitment potentially short lived fixed term contracts however we are working actively with our delivery partners to understand and overcome this.

There is a forecast underspend of £0.767m on the portfolio. The main variances are:

Forecast Outturn against Target Budget

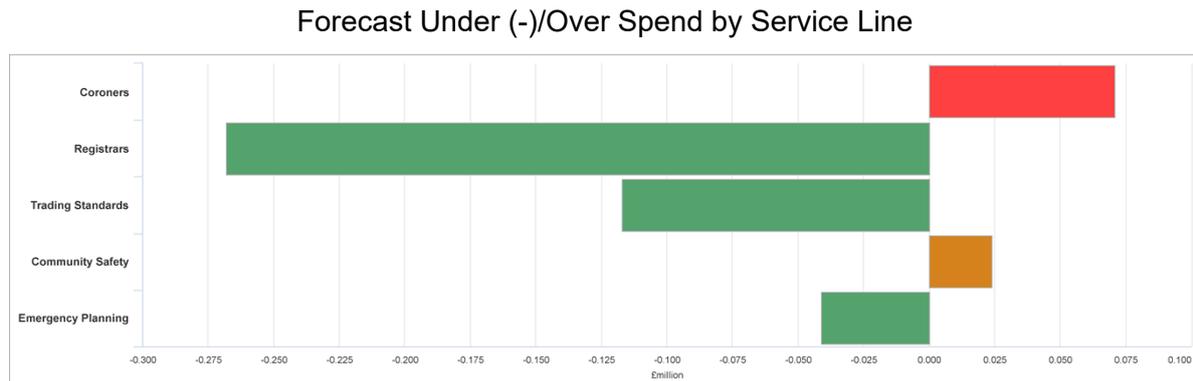
- ✓ Registrars, £0.268m underspend - Registration income increased significantly following the easing of the Covid restrictions and there is also a backlog of registrations coming through from the previous years when events such as weddings couldn't take place.



It was thought that this backlog and additional income would be a one-off for 2021-22, however this trend has continued and reflects the level of underspend. It is not anticipated that this will continue at the same rate going forwards.

The underspend is reduced by the cost of recent staffing changes, including additional posts intended to generate additional income.

- ✓ Trading Standards, £0.117m underspend - Vacancies
- ✓ Public Health - Prevention, £0.436m underspend - One off Covid funding from Government has been used to fund expenditure plus an additional contribution from Public Health ring-fenced Grant towards Covid responsibilities.
- ✗ Coroners, £0.071m overspend - An additional £0.050m for a specific complex case and acting up pay for The Deputy Coroner whilst the Coroner is on sickness absence.

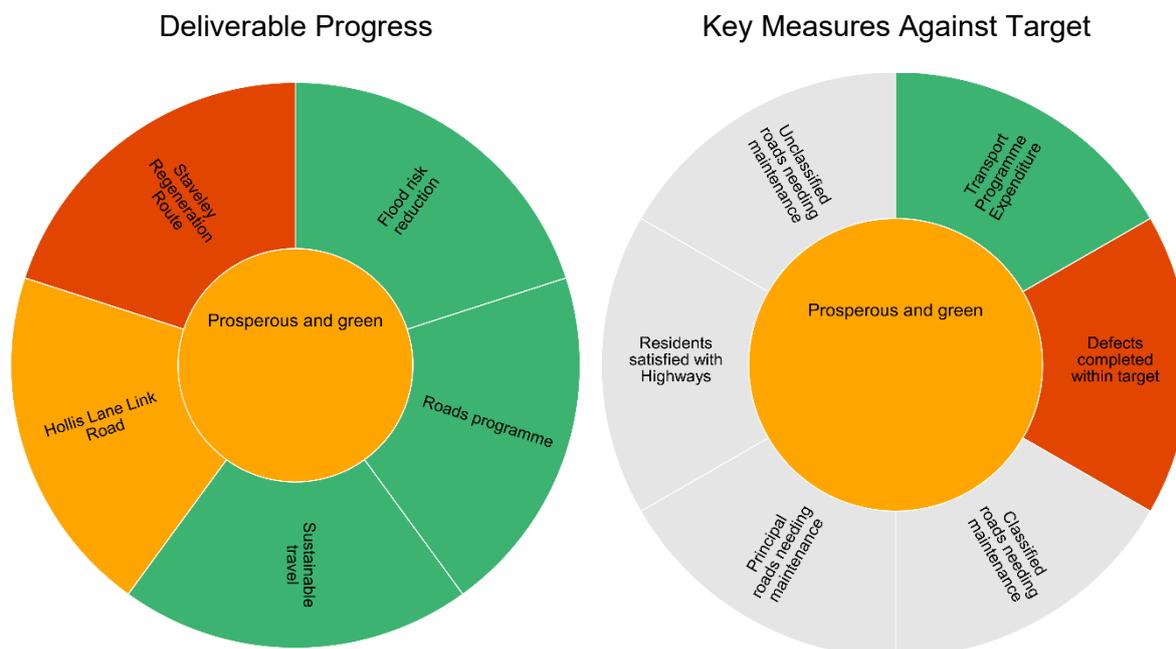


There is no budget savings target for this portfolio in 2022-23. A savings target of £0.042m target has been brought forward from previous years. It is not anticipated that the savings brought forward from previous years will be achieved before the end of the financial year.

Additional funding has been provided in the 2022-23 budget for the main growth items:

- Domestic Abuse - £1.417m ongoing - The Domestic Abuse Act 2021 has introduced statutory duties in the provision of emergency accommodation for victims of domestic abuse and their families. To enable the development and delivery of a long term comprehensive commissioning strategy, this bid seeks to confirm the availability of funding on an ongoing basis and make a temporary post permanent. This bid puts the base budget in but will be offset by a general grant received in later years.
- Community Safety - £0.254m ongoing - Funding to support new activity required to meet statutory duties in respect of community safety, i.e. the imminent Serious Crime White Paper. The funding is for three posts and a project fund to support commissioned activity.

Highways Assets and Transport - Portfolio Summary



Key ★ Strong ✓ Good ◯ Review 📌 Action □ Data not available/Target not set

Progress is "good" for the majority of the Council Plan deliverables led by the portfolio.

Key areas of success are:

- ✓ **Delivered a £40m Local Transport Programme to provide well managed roads and highways and address road safety concerns**

The spend on the Local Transport Programme has met the target and the planned surface dressing programme has been completed.

- ✓ **Reduced the level of flood risk to the residents and businesses of Derbyshire through our planning role, the delivery of flood mitigation schemes and working with communities to develop flood resilience measures**

The Renishaw Property Flood Resilience scheme benefiting 13 properties has been completed. 80 properties separately have benefitted from £400,000 from the Department for Food, Environment and Rural Affairs grant scheme.

- ✓ **Developed and delivered a strategic approach to sustainable travel and transport across the county, including the promotion of cycling and walking**

Progress is "Good" for the delivery of electric vehicle charging points and developments on priority sections of our proposed Key Cycle Network.

Key areas for consideration are:

Percentage of defects completed within target timescales

Issue: Throughout Quarter 2 94.1% of all defects were completed within target timescales, however for the year to date, 80.1% of all defects were completed with target timescales compared to a target of 90%. **Action:** It is considered that through the implementation of the Local Transport Plan Capital delivery scheme a reduction in defects will be seen throughout the year which should have a positive impact on the amount of defects.

Annual survey data is not yet available for a number of the key measures specified in the above summary wheel. This data will be reported in Quarter 3.

Opened Hollis Lane Link Road Phase 1 in Chesterfield to improve road access

Issue: Due to economic conditions, cost uncertainty will remain until a construction contractor is appointed. **Response:** Rigorous process in the procurement of a contractor is underway to ensure best value.

Completed Outline Business Case and prepared a planning application to progress the Chesterfield to Staveley Regeneration Route, which will create new homes and jobs for the area

Issue: Scheme cost is the main issue with both Government and local contributions needing to be confirmed. **Action:** Active discussions are underway with both Government and private sector stakeholders over project funding.

There is a forecast overspend of £1.834m on the portfolio, after the use of £4.884m of Place departmental earmarked reserves. The forecast includes £1.182m of inflationary increases. Before the allocation of reserves funding, the main variances are:

-  Highways Maintenance, £0.852m overspend - An increase in the workforce assigned to routine maintenance.
-  Winter Maintenance, £0.527m overspend - The budget is insufficient to cover the costs of an average winter. However, this overspend will be met by the Place Department's Winter Maintenance

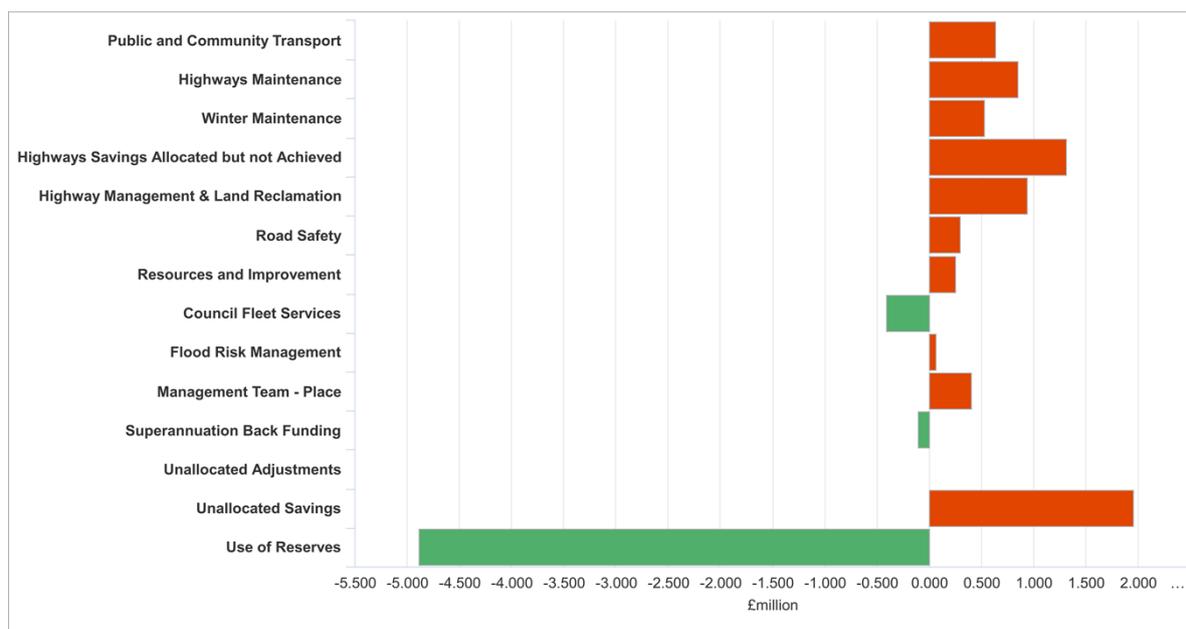
Forecast Outturn against Target Budget



Reserve and it therefore has no impact on the Council’s forecast portfolio outturn position.

- ❑ Highways Management and Land Reclamation, £0.941m overspend – Inflation and under-recovery due to charge-out rates not updated.
- ❑ Road Safety, £0.298m overspend - .Relates to a prior year savings cut which is yet to be achieved. It is thought that this will be achieved in 2024-25
- ❑ Unallocated Savings, £1.957m overspend - Savings cuts allocated to the departmental budget that are not yet able to be met/allocated.
- ✅ Fleet Services, £0.410m underspend - Income received in relation to the Police Contract is higher than budgeted.
- ❑ Management Team, £0.403m overspend - This relates to the recruitment of seven G15 Assistant Director roles which are currently unfunded.
- ❑ Highways Savings Target, £1.312m overspend - Savings targets allocated to this service with no savings proposals yet implemented.

Forecast Under (-)/Over Spend by Service Line



The budget savings target for 2022-23 is £0.500m, with a further £3.171m target brought forward from previous years. None of the in-year savings target or savings brought forward from previous years are expected to be achieved before the end of the financial year.

Additional funding has been provided in the 2022-23 budget for the main growth items:

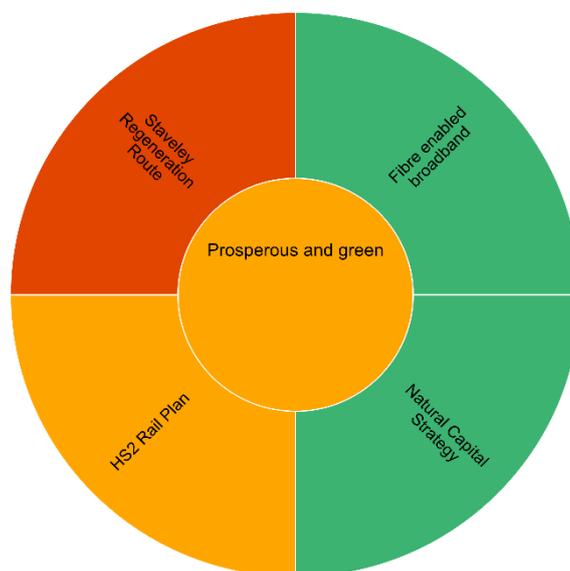
- Drainage - £1.313m ongoing, £1.313m one-off - Increasing impact of Climate Change, increasing severe weather events particularly

flooding which cause major disruption and damage to properties and the highways network. Improvement, maintenance and investigation is needed to assess and enhance the Council's drainage infrastructure and assets.

- Pay Award 2021-22 - £0.248m ongoing
- National Insurance Social Care Levy - £0.191m ongoing – additional cost of a 1.25% increase in employer National Insurance contributions from April 2022, ring-fenced for health and social care.
- Employer Pension Contributions - £0.090m ongoing, £0.192m one-off – additional Local Government Pension Scheme employer pension contributions, which are required because of a difference between forecast pensionable pay when contributions were agreed and actual pensionable pay experience.

Infrastructure and Environment - Portfolio Summary

Deliverable Progress



Key ★ Strong ✓ Good ◯ Review 📄 Action ■ Data not available/Target not set

Progress is "good" for 2 out of the 4 Council Plan deliverables led by the portfolio.

Key areas of success are:

- ✓ **Developed the Natural Capital Strategy, identifying areas where the natural environment can be further enhanced whilst also supporting the green economy**

The final draft of the strategy is being reviewed with findings to be provided in Quarter 3.

Key areas for consideration are:

- ◯ **Prepared a countywide response to the Integrated Rail Plan for the Midlands and the North in relation to HS2 to minimise any potential disruption and take full advantage of the economic growth opportunities**

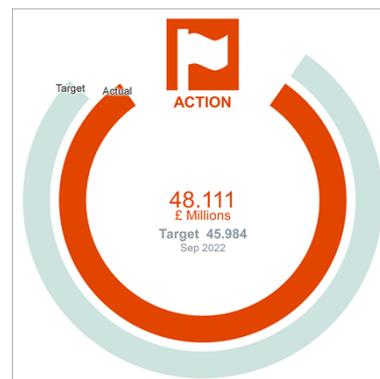
Issue: This action is delayed whilst the Government confirmation on the HS2 development is awaited. **Response:** Whilst there is still no confirmation from the Department for Transport (DfT) on the northern leg of HS2, the development study is ongoing and consultation on the electrification of the Midland Mainline is taking place with both Network Rail and the DfT.

Completed Outline Business Case and prepared a planning application to progress the Chesterfield to Staveley Regeneration Route, which will create new homes and jobs for the area

Issue: Scheme cost is the main issue with both Government and local contributions needing to be confirmed. **Action:** Active discussions are underway with both Government and private sector stakeholders over project funding.

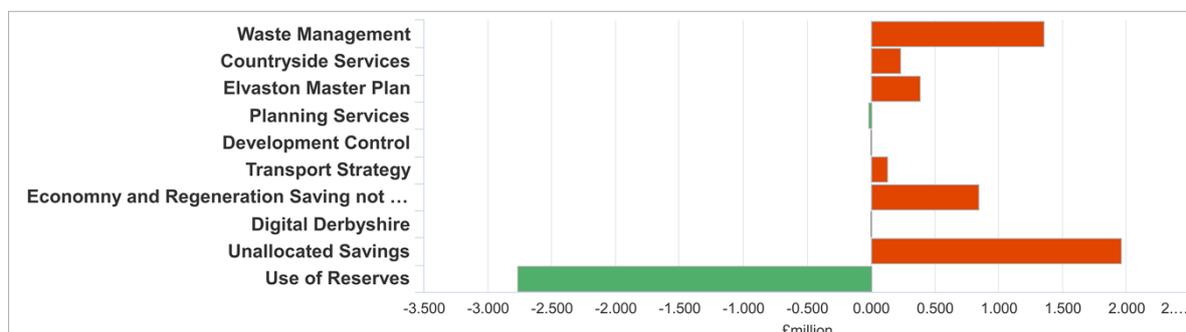
There is a forecast overspend of £2.127m on the portfolio, after the use of £2.767m of Place departmental earmarked reserves. Before the allocation of this funding, the main variances are:

Forecast Outturn against Target Budget



- ❑ Waste Management, £1.356m overspend – Increased tonnages and £1.5m due to inflation, offset by savings on contract spend.
- ❑ Countryside Services, £0.236m overspend - £0.300m savings allocated but not yet achieved due to delay in fees and charges being increased.
- ❑ Elvaston Master Plan, £0.385m overspend – posts of staff working on the project that are unfunded.
- ❑ Economy and Regeneration Savings Target , £0.848m overspend - Savings targets allocated to this service with no savings proposals yet implemented.
- ❑ Unallocated Savings, £1.957m overspend - Savings allocated to the portfolio but not yet allocated to specific areas.

Forecast Under (-)/Over Spend by Service Line



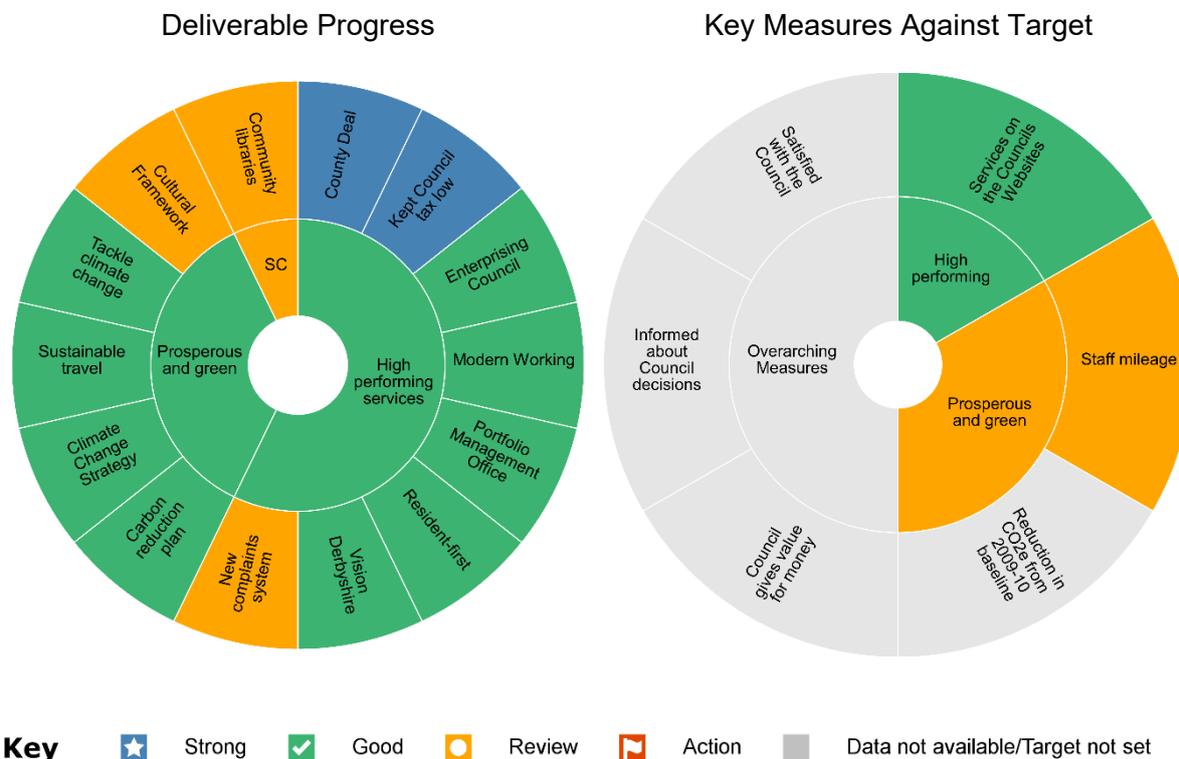
The budget savings target for 2022-23 is £0.100m, with a further £2.981m target brought forward from previous years. The in-year savings target of £0.100 will be achieved and it is forecast that £0.214m of the savings brought

forward from previous years will be achieved before the end of the financial year.

Additional funding has been provided in the 2022-23 budget for the main growth items:

- Waterbodies Officer - £0.038m ongoing - New post to manage waterbody assets on behalf of the Countryside Service.
- Million Trees - £0.113m ongoing - To allow the department to meet the Manifesto pledge to plant 1 million trees by 2030.
- Ash Die Back - £0.270m ongoing - To allow the Countryside Service to lead a strategic corporate response to develop and implement an Ash Die Back Action Plan.
- Kick Start/ Major Schemes - £2.850m one-off - To cover costs such as economic and transport modeling and preliminary design etc in relation to major infrastructure projects prior to them becoming a capital project.

Strategic Leadership, Culture, Tourism and Climate Change - Portfolio Summary



Progress is "good" or "strong" for the majority of the Council Plan deliverables led by the portfolio.

Key areas of success are:

- ★ **Worked with partners and central government to negotiate a County Deal for Derbyshire and Derby as one of the nine early pathfinder areas including securing powers, flexibilities and funding and establishing effective governance arrangements**

The Government signed a devolution deal with Derbyshire, Derby, Nottinghamshire and Nottingham Councils on 30 August 2022 which will see the East Midlands receiving £1.14 billion over 30 years to invest in the region and the establishment of an East Midlands Mayoral County Combined Authority, subject to formal agreement and public consultation.

- ★ **Kept Council Tax within the lowest 25% of county council areas and lobbied government to secure a better funding settlement**

The Council's Council Tax level remains in the bottom 25% of similar authorities.

The Council continues to take opportunities to lobby Government for an improved and multi-year funding settlement, individually and collectively as part of the national Society of County Treasurers group.

- ✔ **Implemented a programme of strategic transformation as part of Phase 2 of the Enterprising Council approach including the establishment of a new Corporate Portfolio Management Office to ensure projects and programmes are coordinated, consistent and deliver improved outcomes and value for money**

Further work to develop the Project & Programme Management Community of Practice has commenced with monthly sessions held. Colleagues across the Council have worked together to develop the new corporate approach to managing programmes and projects, along with a series of tools, documentations and training.

- ✔ **Reduced carbon emissions from Council property and vehicles, street lighting and procurement**

Total emissions for 2021-22 were 15,399 tCO₂e, which is a reduction of 64% since 2009-10 and a reduction of 3% from the previous year.

- ✔ **Developed and delivered a strategic approach to sustainable travel and transport across the county, including the promotion of cycling and walking**

Progress is "Good" for the delivery of electric vehicle charging points and developments on priority sections of our proposed Key Cycle Network.

Key areas for consideration are:

- 🔴 **Transferred a minimum of five libraries to community management, engaging and involving communities in the development of a cost-efficient library service**

Issue: One community library has been transferred with expressions of interest for three more. No further interest has been received to date.

Response: Engagement with libraries is on-going and it is hoped with the relaunch of the Library Strategy that further engagement and appetite from the community will lead to further Expressions of Interest.

- 🔴 **Put in place a new complaints and feedback system to improve service delivery and resident experience**

Issue: Progress has been made with Childrens Services now in place and Place being implemented. Work with Adult Social Care and Health is due to start however the complexities and possible integration to systems required and the need to implement wider reporting mean progress has been rated as review. **Response:** Work is ongoing to understand the reporting requirements and timescales for implementation in Place and ASCH.

Mobilised the Derbyshire Cultural Framework and reviewed and developed a costed action plan for the Derwent Valley Mills World Heritage Site

Issue: The Derbyshire Cultural Framework is on track. With regard to the Derwent Valley Mills World Heritage Site Development Framework, an outline prospectus has been produced, however this requires wider partnership buy in. **Response:** The Prospectus will be presented to Chief Executive Officers and Councillors from each of the Local Planning Authorities in the World Heritage Site by the Council's Head of Conversation and Executive Director of Place in the next calendar year.

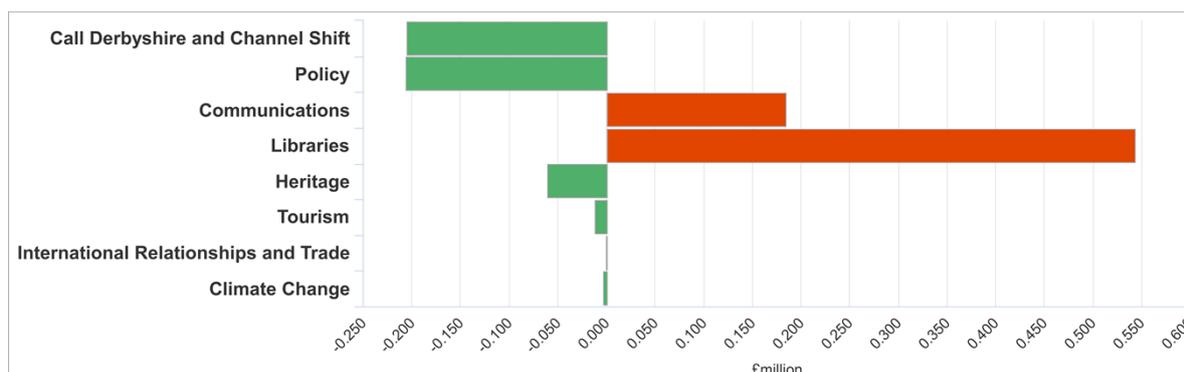
There is a forecast overspend of £0.243m on the portfolio. The main variances are:

- Communications, £0.185m overspend - Unable to achieve a £0.187m target to generate advertising income.
- Call Derbyshire, £0.205m underspend – Due to staff turnover in the call centre.
- Policy, £0.206m underspend - Vacancies.
- Libraries, £0.544m overspend - Savings allocated but not yet achieved relating to Community Managed Libraries of £0.500m and Mobile Libraries of £0.200m. It is anticipated that £0.280m savings will be achieved this financial year through a restructure of staffing.

Forecast Outturn against Target Budget



Forecast Under (-)/Over Spend by Service Line



The budget savings target for 2022-23 is £0.156m, with a further £0.645m target brought forward from previous years. The in-year savings target of £0.156 will be achieved and £0.124m of savings brought forward from previous years will be achieved before the end of the financial year.

Additional funding has been provided in the 2022-23 budget for the main growth items:

- Business Change - £1.020m ongoing, £0.020m one-off - Funding to ensure the Council can more effectively deliver and implement One Council change and strategic transformation. Funding to ensure the Council can more effectively deliver and implement One Council change and strategic transformation. Funding to ensure the Council can more effectively deliver and implement One Council change and strategic transformation.
- Channel Shift - £0.034m one-off - The Channel Shift Team is currently supported by temporary members of staff. In order to fully embed the system, support the maximisation of benefit realisation, and make most of the contracted purchase period of four years, it is anticipated that some dedicated staff resource will be required to deliver the programme past the initially anticipated point.
- Vision Derbyshire - £0.088m ongoing - Funding to support the Council's contribution to the Vision Derbyshire Programme resource.
- Equalities - £0.092m ongoing - Funding to support the implementation of the Council's new Equality, Diversity and Inclusion Strategy.
- Climate Change - £0.463m ongoing - The Council needs to take action to reduce emissions to net zero from its own estate and operations by 2023 or sooner, and from across the county by 2050 (in line with Government targets) and published its Climate Change Manifesto in May 2019. The Council also needs to build resilience across its own services and across the county to adapt to a changing climate and deliver identified priorities.

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Traded Services**Fully Traded**

'Fully traded' trading areas are separately identifiable and have a net controllable budget of £0, i.e. there is an expectation that on average all the controllable expenditure within this area will be funded from external income.

Portfolio	Service Area	Trading Area	Projected Gross Controllable Expenditure*	Projected Gross Controllable Income	Forecast Contribution/ Deficit(-) to General Overheads	Performance	Is Contribution/ Deficit transferred to Earmarked Reserves?
			£m	£m	£m		
CSB	Finance & ICT	IT Support Services	0.669	0.577	(0.092)		No
CSB	HR	Schools Advisory Service	0.455	0.460	0.005		No
CSB	HR	Work Experience	0.098	0.098	0.000		No
CSB	Corporate Property	Direct Service Organisation Operations	17.599	17.883	0.284		Yes
CSSGE	School Catering	School Catering + FSM checking	25.908	24.556	(1.352)		No
CSSGE	SORE	Swimming	1.457	1.499	0.042		No
			46.186	45.073	(1.113)		

*This is the expenditure remaining after any costs have been recharged to other service areas internal to the Council.

Partially Traded

'Partially traded' trading areas do not have a net controllable budget of £0, but they do receive income from external entities which contributes to funding some of the discretionary services they provide.

Portfolio	Service Area	Trading Area	Budgeted Income Target	Projected Actual Income	Forecast Excess/ Shortfall(-) compared to Target	Performance
			£m	£m	£m	
CSB	Legal and Democratic	Legal Services	0.549	0.472	(0.077)	
CSB	Corporate Property	Disability Design Team (DFG agency fees)	0.087	0.087	0.000	
CSB	Corporate Property	Estates	0.070	0.070	0.000	
CSB	Corporate Property	Energy Management: Commissioning Fees	0.070	0.070	0.000	
CSB	Corporate Property	Energy Management: Display Energy Certificates	0.008	0.008	0.000	
CSB	Corporate Property	Asbestos Surveys	0.058	0.055	(0.003)	
CSB	Corporate Property	SMHP Repairs & Maintenance Contract Mgt Fee	0.016	0.016	0.000	
CSB	Corporate Property	CDL Surveys	0.026	0.026	0.000	
CSB	Corporate Property	County Buildings	0.593	0.543	(0.050)	
CSB	Corporate Property	Industrial Development	1.889	1.756	(0.133)	

Portfolio	Service Area	Trading Area	Budgeted Income Target	Projected Actual Income	Forecast Excess/ Shortfall(-) compared to Target	Performance
			£m	£m	£m	
CSB	HR	Occupational Health Services	0.072	0.117	0.045	
CSB	HR	Learning & Development	0.198	0.234	0.036	
CSB	HR	H&S	0.082	0.279	0.197	
CSB	HR	Payroll Services	1.654	1.617	(0.037)	
CSB	Finance & ICT	Exchequer	0.329	0.256	(0.073)	
CSSGE	Education & Improvement	Various	0.816	0.514	(0.302)	
CSSGE	SORE	Outdoor Education & Sport	1.233	1.777	0.544	
CSSGE	SEMH Services	Behavioural Support	0.266	0.257	(0.009)	
CSSGE	Adult Education	Adult Education	0.201	0.239	0.038	
CSSGE	Education Welfare	Education Welfare	0.009	0.000	(0.009)	
CSSGE	Music	Music	0.145	0.114	(0.031)	
CSSGE	Children Missing Education	Out of School Tuition	0.174	0.174	0.000	
CSSGE	SEMH Services	Positive Play	0.033	0.027	(0.006)	
CSSGE	Early Years	Early Years	0.000	0.000	0.000	
CSSGE	Early Years	Early Years SEN	0.010	0.010	0.000	
CSSGE	Information & ICT	Various	1.070	1.248	0.178	
CSSGE	Education Psychology	Education Psychology	0.597	0.583	(0.014)	
HC	Public Health	Mental Health course delivery	0.003	0.003	0.000	

Portfolio	Service Area	Trading Area	Budgeted Income Target £m	Projected Actual Income £m	Forecast Excess/ Shortfall(-) compared to Target £m	Performance
HC	Public Health	School Crossing Patrol SLA sites	0.012	0.012	0.000	✓
HC	CST	Registrars	1.394	1.958	0.564	✓
HAT	Highways Laboratory	Highways Laboratory	0.100	0.050	(0.050)	✗
HAT	Fleet Services	Fleet Services	1.300	1.730	0.430	✓
IE	Countryside	Shops	0.219	0.294	0.075	✓
IE	Countryside	Cycle Hire	0.019	0.019	0.000	✓
IE	Countryside	Car Parking	0.397	0.463	0.066	✓
SLCTCC	Organisational Development & Policy	Crisis Communications	0.043	0.049	0.006	✓
			13.855	15.132	1.277	✓

Earmarked Reserves**Earmarked Reserves as at 30 September 2022**

Adult Care	£m
Older People's Housing Strategy	16.103
Prior Year Underspends	3.391
Other reserves	0.019
Total Adult Care	19.513
Clean Growth and Regeneration	
Regeneration Kick-Start Feasibility Fund	3.612
Vision Derbyshire Economic Development Pilot	0.887
Markham Environment Centre	0.114
Other reserves	0.406
Total Clean Growth and Regeneration	5.019
Corporate Services and Budget	
Revenue Contributions to Capital	37.185
Loan Modification Gains	24.231
Insurance and Risk Management	16.038
Covid Emergency and SFC Losses Grants	15.370
Covid-19 Recovery Fund	10.993
Budget Management	10.000
Inflation Risks	10.000
Planned Building Maintenance	5.502
Business Rates Risks	5.251
Business Rates Pool	4.395
Cyber Security	4.000
Computer Purchasing	3.270
Prior Year Underspends	2.827
Property Insurance Maintenance Pool	2.561
Investment Losses Contingency	2.500
Feasibility Assessment	1.866
PFI Reserves	1.622
Demolition of Buildings	1.437
Exchequer Traded Services Risks	1.069
Other reserves	4.695
Total Corporate Services and Budget	164.812

Childrens Services and Safeguarding and Education	
Tackling Troubled Families	4.075
Childrens Services IT Systems	0.220
High Needs Strategic Funding	0.190
Foster Carer Adaptations	0.177
Other reserves	0.434
Total Childrens Services and Safeguarding and Education	5.096
Health and Communities	
Covid Test and Trace Grant	3.225
Grant Funding Prospectus	1.650
Covid Practical Support Grant	1.314
Domestic Abuse	0.584
Proceeds of Crime	0.171
Other reserves	0.642
Total Health and Communities	7.586
Highways and Transport	
Prior Year Underspends	10.761
Commuted Highways Maintenance	1.710
Highway Development Control Interface	1.500
Winter Maintenance	1.235
Derby and Derbyshire Road Safety Partnership Reserve	0.533
Other reserves	1.321
Total Highways and Transport	17.060
Infrastructure and Environment	
Digital Growth	2.340
Waste Recycling Initiatives	0.598
Elvaston Maintenance	0.271
Other reserves	0.262
Total Infrastructure and Environment	3.471
Strategic Leadership, Culture, Tourism and Climate Change	
Climate Change	4.000
Green Entrepreneurs	1.904
Community Managed Libraries	1.023
Policy and Research	0.660

Library Restructure	0.429
Other reserves	0.838
Total Strategic Leadership, Culture, Tourism and Climate Change	8.854

Total Portfolio Earmarked Reserves	231.411
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Schools

Schools Balances	38.345
Dedicated Schools Grant (DSG)	(0.239)

Total balances held for and on behalf of schools	38.106
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Public Health Grant	8.092
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Budget Savings Monitoring 2022-23**In-Year Savings Monitoring:**

	Target 2022-23 £m	Deliverable in 2022-23		Total Deliverable in 2022-23 £m	Deferred to future years for delivery £m	Alternative Savings to be delivered £m
		Ongoing £m	One-Off £m			
Adult Care	6.811	3.741	2.550	6.291	2.550	0.520
Childrens Services	0.046	0.046	0.000	0.046	0.000	0.000
Clean Growth and Regeneration	0.000	0.000	0.000	0.000	0.000	0.000
Corporate Services and Budget	0.444	0.444	0.000	0.444	0.000	0.000
Health and Communities	0.000	0.000	0.000	0.000	0.000	0.000
Highways Assets and Transport	0.500	0.000	0.000	0.000	0.000	0.500
Infrastructure and Environment	0.100	0.100	0.000	0.100	0.000	0.000
Strategic Leadership, Culture, Tourism and Climate Change	0.156	0.156	0.000	0.156	0.000	0.000
Total	8.057	4.487	2.550	7.037	2.550	1.020

Appendix 14

Public

Aggregated In-Year and Previous-Years Savings Monitoring:

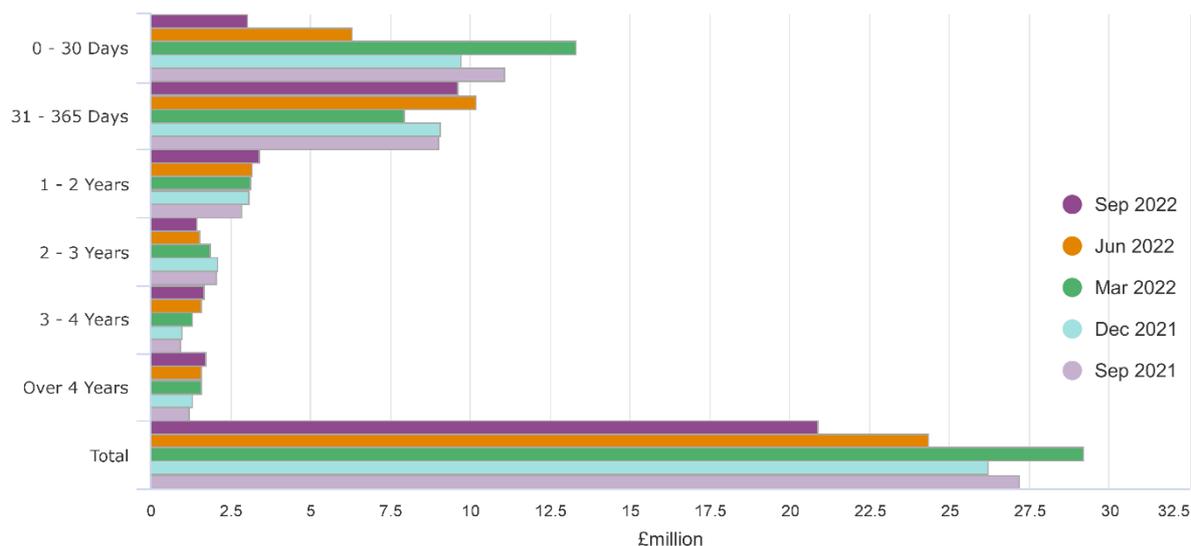
Portfolio	Budget Savings Target			Ongoing Savings Initiatives			Actual Savings Achieved	
	Prior Year not yet achieved Brought Forward £ Millions	Current Year £ Millions	Total Target £ Millions	Total Identified £ Millions	Shortfall (-)/ Additional Identified Savings £ Millions	Achieved by Financial Year End £ Millions	Shortfall (-)/ Additional Achievement of Savings Target £ Millions	
Adult Care	2.570	6.811	9.381	9.381	0.000	3.741	-5.640	
Clean Growth & Regeneration	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Corporate Services & Budget	4.397	0.444	4.841	4.857	0.016	2.999	-1.842	
Children's Services and Safeguarding and Education	0.678	0.046	0.724	0.724	0.000	0.724	0.000	
Health & Communities	0.042	0.000	0.042	0.000	-0.042	0.000	-0.042	
Highway Assets & Transport	3.171	0.500	3.671	1.714	-1.957	0.000	-3.671	
Infrastructure & Environment	2.981	0.100	3.081	1.124	-1.957	0.314	-2.767	
Strategic Leadership, Culture, Tourism & Climate Change	0.645	0.156	0.801	0.671	-0.130	0.280	-0.521	
Cross Portfolio	0.421	0.000	0.421	0.421	0.000	0.421	0.000	
Portfolio Total	14.905	8.057	22.962	18.892	-4.070 	8.479	-14.483 	

Aged Debt

Age profile of debt, relating to income receivable, at 30 September 2022

	0 - 30 Days £m	31 - 365 Days £m	1 - 2 Years £m	2 - 3 Years £m	3 - 4 Years £m	Over 4 Years £m	Total £m
Adult Social Care and Health	1.415	7.008	2.653	1.199	0.908	1.246	14.429
	9.8%	48.6%	18.4%	8.3%	6.3%	8.6%	100.0%
Children's Services	0.485	0.512	0.033	0.008	0.007	0.002	1.047
	46.3%	48.9%	3.2%	0.8%	0.7%	0.2%	100.0%
Place	0.660	0.943	0.547	0.159	0.726	0.290	3.325
	19.8%	28.4%	16.5%	4.8%	21.8%	8.7%	100.0%
Corporate Services and Transformation	0.483	1.170	0.158	0.084	0.022	0.174	2.091
	23.1%	56.0%	7.6%	4.0%	1.1%	8.3%	100.0%
All Departments	3.043	9.633	3.391	1.450	1.663	1.712	20.892
	14.6%	46.1%	16.2%	6.9%	8.0%	8.2%	100.0%

Aged Debt over Time



The value of debt written off in the 12 months up to 30 September 2022

Department	£m	
Adult Social Care and Health	0.119	↓
Children's Services	0.014	↑
Place	0.008	↑
Corporate Services and Transformation	0.025	↓
All Departments	0.166	↓

Derbyshire County Council

Appendix 3



Council Plan 2022-25

Performance Report
Quarter 2 2022-23

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Introduction

Welcome to the Council's performance report on the Council Plan 2022-25, for Quarter 2 2022-23. The Council Plan sets out the direction of the Council and what we are working to achieve on behalf of our residents. At the heart of our Plan is ensuring we provide maximum value for money for the council tax our residents pay, by delivering the most efficient and effective services we can. The Plan was refreshed in March 2022 to ensure it continues to address the key opportunities and challenges facing the Council. Our key priorities continue to be:

- Resilient, healthy and safe communities;
- High performing, value for money and resident focused services;
- Effective early help for individuals and communities;
- A prosperous and green Derbyshire.

For each priority we have identified a set of key deliverables and performance measures which we will focus on to meet our priorities.

Reporting Performance

Progress on our Council Plan deliverables and key measures is set out on the following pages. To give a clear indication of performance, the following categories are used:

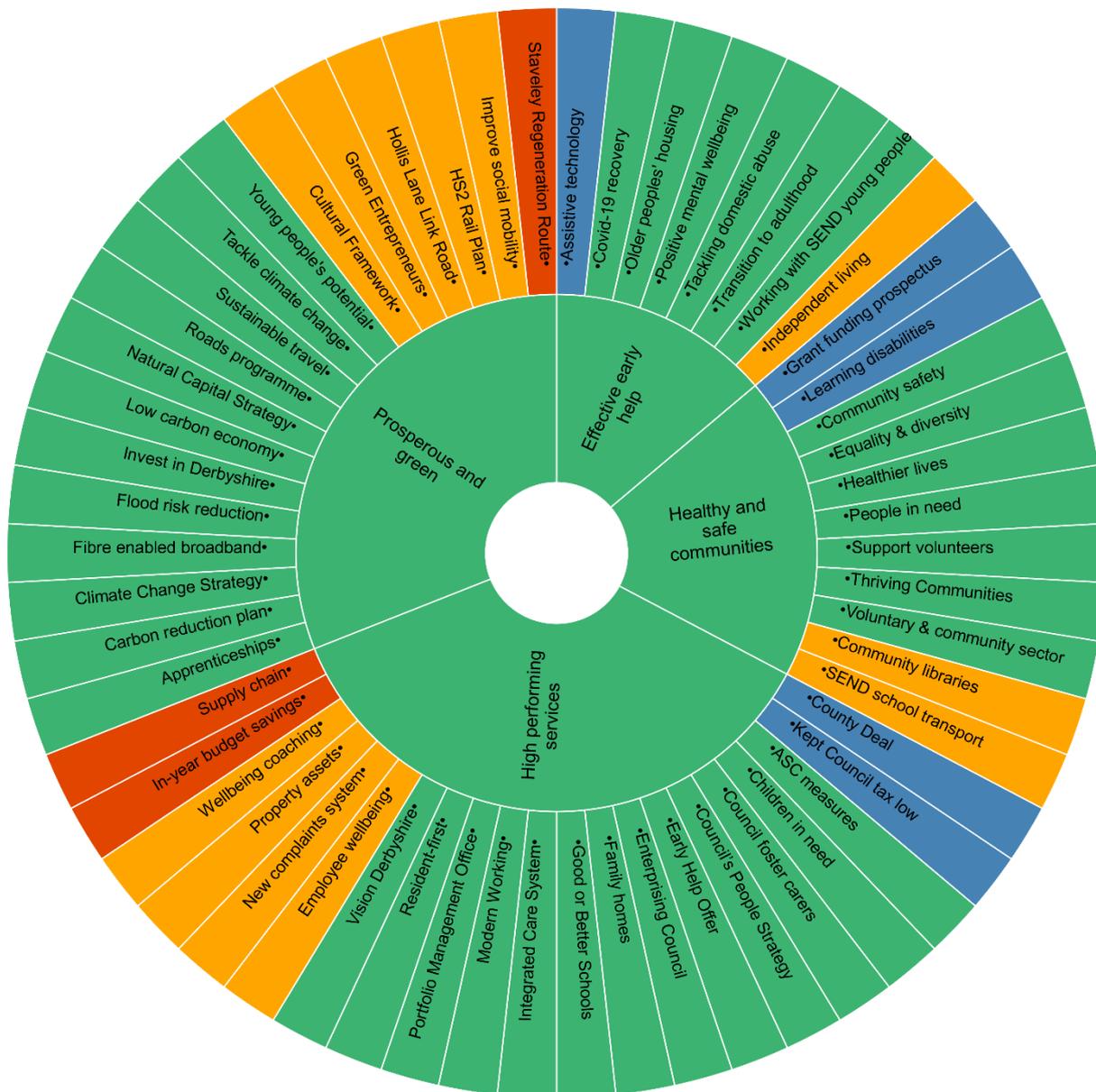
Category	Deliverables	Measures	Council Response
 Strong	On track or complete with outcomes exceeding expectations	More than 5% better than target (2% better than target if the target is greater than 95%)	Continue to monitor. Celebrate and learn from success
 Good	On track or complete with outcomes in line with expectations	Between 5% better or 2% worse than target	Continue to monitor. Celebrate and learn from success
 Review	Some risk to achieving timetable and/or outcomes	More than 2% worse than target	Keep under review to ensure performance is brought back/remains on track
 Action	Unlikely to achieve timetable and/or to deliver required outcome	More than 10% worse than target	Additional action will be/is being taken to bring performance back on track

We would welcome your feedback on the report as part of our commitment to continually improve what we do and how we serve the people of Derbyshire. Please tell us what you think at: haveyoursay@Derbyshire.gov.uk

Summary

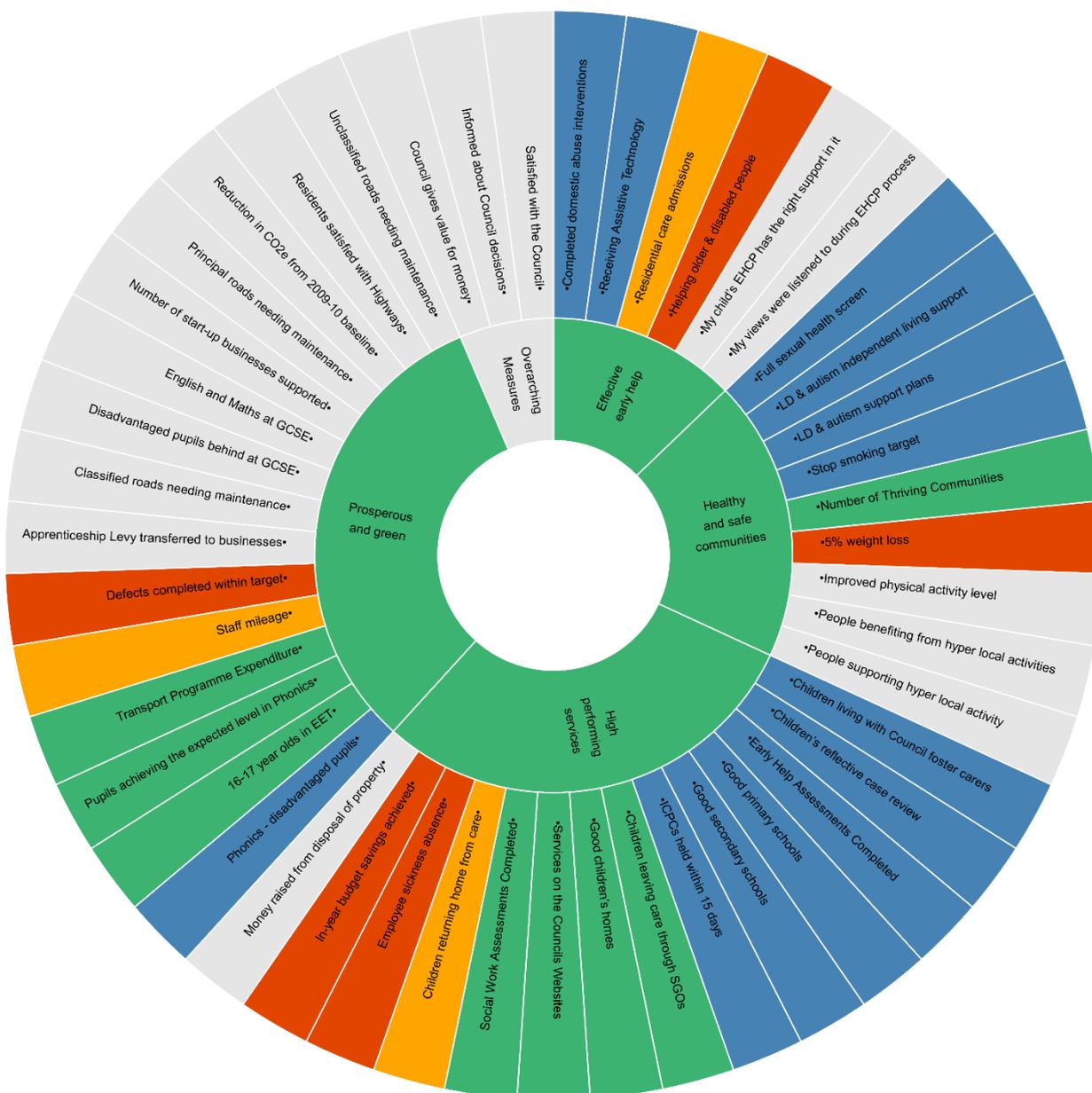
Deliverable Overview

Good progress has been made in delivering the Council Plan during Quarter 2 2022-23. Of the 58 deliverables in the Plan, 65% have been rated as 'Good'; 9% have been rated as 'Strong'; 21% have been rated as "Requiring Review" and 5% as "Requiring Action". A graphical representation of the Council's performance for Quarter 2 against its priorities (inner wheel) and deliverables (outer wheel) is below. The colours in each segment show the progress the Council is making during 2022-23. The performance for each priority and deliverable is detailed within the report.



Key Measure Overview

A set of key measures have also been developed to enable the Council to further monitor the progress it is making by reporting performance against targets. The colours in each segment of the wheel below show the Council's success in achieving its performance targets. Of the 29 key measures with data at this point in the year, 13 have been rated as 'Strong', with a further 8 rated as 'Good'. Only 3 have been rated as 'Requiring Review' and 5 as 'Requiring Action'. Measures which are grey currently have no data available or no targets set for 2022-23. The key measures are detailed in the following tables.



Performance – Trend over Time

Deliverables

	Jun 2022	Sep 2022	Dec 2022	Mar 2023
★ Strong	6	5		
✔ Good	35	38		
⦿ Review	16	12		
🚩 Action	1	3		

Measures

	Jun 2022	Sep 2022	Dec 2022	Mar 2023
★ Strong	11	13		
✔ Good	6	8		
⦿ Review	5	3		
🚩 Action	4	5		

	Jun 2022	Sep 2022	Dec 2022	Mar 2023
Improving	9	7		
No Change	21	43		
Declining	9	8		
Completed	0	0		

	Jun 2022	Sep 2022	Dec 2022	Mar 2023
Improving	0	3		
No Change	9	19		
Declining	0	4		

Key areas of Success

Key areas of success during Quarter 2 are:

- ★ **Worked with people with learning disabilities, recovering from mental ill health and/or autism to develop Council services to ensure they are tailored to meet individuals needs and help people achieve their personal goals**

Progress continues to be made in ensuring people with a learning disability and / or who are autistic have an outcome focussed support plan, with 489 plans in place to date, ensuring access to more community-based opportunities.

- ★ **Established a new grant funding prospectus and framework and provided grants which promote positive behaviours for young people and residents, improve local networks, help people to feel safer, and encourage sustainable and green activity**

The total value of grants made was £462,426. Plans are underway to look at how the new grant funding approach can support an additional priority around the costs of living crisis and specifically community 'warm spaces'.

★ Worked with partners and central government to negotiate a County Deal for Derbyshire and Derby as one of the nine early pathfinder areas including securing powers, flexibilities and funding and establishing effective governance arrangements

The Government signed a devolution deal with Derbyshire, Derby, Nottinghamshire and Nottingham Councils on 30 August 2022 which will see the East Midlands receiving £1.14 billion over 30 years to invest in the region and the establishment of an East Midlands Mayoral County Combined Authority, subject to formal agreement and public consultation.

★ Kept Council Tax within the lowest 25% of county council areas and lobbied government to secure a better funding settlement

The Council's Council Tax level remains in the bottom 25% of similar authorities.

The Council continues to take opportunities to lobby Government for an improved and multi-year funding settlement, individually and collectively as part of the national Society of County Treasurers group.

★ Commissioned and procured a new assistive technology service offer to support people with social care needs to live independently in the community

During the quarter 215 people have been referred for Assistive Technology, helping to provide support and promoting independence in people's own homes.

✔ Provided support to people and communities in need, including financial help from our discretionary fund, and other activities that promote financial inclusion

The Council has continued to provide support to people and communities in need, including financial wellbeing via the Derbyshire Discretionary Fund, making 7,112 awards in Quarter 2 totalling £775,386. Over 6,600 people have been supported to maximise their benefit income across provision delivered by the Council's Welfare Rights team.

✔ Delivered a £40m Local Transport Programme to provide well managed roads and highways and address road safety concerns

The spend on the Local Transport Programme has met the target and the planned surface dressing programme has been completed.

✔ Reduced carbon emissions from Council property and vehicles, street lighting and procurement

Total emissions for 2021-22 were 15,399 tCO₂e, which is a reduction of 64% since 2009-10 and a reduction of 3% from the previous year.

✓ **Reduced the level of flood risk to the residents and businesses of Derbyshire through our planning role, the delivery of flood mitigation schemes and working with communities to develop flood resilience measures**

The Renishaw Property Flood Resilience scheme benefiting 13 properties has been completed. 80 properties separately have benefitted from £400,000 from the Department for Food, Environment and Rural Affairs grant scheme.

✓ **Developed and delivered a strategic approach to sustainable travel and transport across the county, including the promotion of cycling and walking**

Progress is "Good" for the delivery of electric vehicle charging points and developments on priority sections of our proposed Key Cycle Network.

✓ **Worked with schools and other education providers to implement new strategies and support, to enable children and young people to achieve their educational potential and begin to catch up on learning they have missed due to Covid-19 restrictions**

Provisional 2021-22 data for the percentage of pupils reaching the required standard in Phonics suggest improved comparator performance and a narrowing of the gap between disadvantaged and non-disadvantaged pupils. Latest figures on the percentage of Derbyshire 16 to 17 year olds in education, employment or training continue to track within the top quartile nationally.

✓ **Worked with Derbyshire businesses to support the creation of apprenticeship opportunities in key economic sectors, connecting people to local job opportunities**

The number of apprentices and businesses supported are both on target, supporting key economic sectors.

Key areas for Consideration

The following areas have been rated as "Requiring Review" or "Requiring Action" during Quarter 2:

🔴 **Number of participants in Council weight management programmes who achieve 5% weight loss**

Issue: The number of participants in Council weight management programmes who have achieved a 5% weight loss during Quarters 1 and 2 is predicted to be 110 against a target of 140, whilst below target, benchmarking information shows that based on confirmed rates for the achievement of 5% weight loss from Quarter 1, Derbyshire has slightly higher figures than the

national average. **Action:** Live Life Better Derbyshire continues to expand its community face to face offer, and are exploring measures to improve client retention rates.

🟡 **Transferred a minimum of five libraries to community management, engaging and involving communities in the development of a cost-efficient library service**

Issue: One community library has been transferred with expressions of interest for three more. No further interest has been received to date. **Response:** Engagement with libraries is on-going and it is hoped with the relaunch of the Library Strategy that further engagement and appetite from the community will lead to further Expressions of Interest.

🟡 **Reviewed how the Council delivers home to school transport for children with special educational needs ensuring the most effective use of resources**

Issue: A number of new risks and challenges identified during Quarter 1 delayed progress of this deliverable. **Response:** Progress has been achieved during Quarter 2. The focus of activity has been on the decision-making process and how Children's Services can best assess the need for home to school transport to enable Place to plan the most effective use of resources. A pilot panel process has been established which will start at the end of October 2022.

🟡 **Developed a longer-term preventative wellbeing coaching model that offers health and wellbeing advice to prevent, reduce and delay the need for adult social care services**

Issue: Workload and demand for services have resulted in altered priorities. Timescales for project tasks have been delayed due to this. **Response:** A meeting is being held in October 2022 with project leaders to establish a plan and timescale with the aim of completing all outstanding pieces of work by end of March 2023.

🟡 **Put in place a new complaints and feedback system to improve service delivery and resident experience**

Issue: Progress has been made with Childrens Services now in place and Place being implemented. Work with Adult Social Care and Health is due to start however the complexities and possible integration to systems required and the need to implement wider reporting mean progress has been rated as review. **Response:** Work is ongoing to understand the reporting requirements and timescales for implementation in Place and ASCH.

🟡 **Reviewed the Council's Wellbeing Strategy and associated action plan to further support employee wellbeing, reduce sickness absence and improve service delivery**

Issue: Employee sickness absence is 5.7% up to September 2022, against a year end target of 4.6%. **Response:** Work has continued on refreshing the Council's Wellbeing Strategy which is ready for formal agreement. Work is also underway to break down further the sickness absence data to better understand the underlying causes of sickness across the largest identified

primary causes of sickness. The impact of spikes in Covid-19 infections rates is also being explored. Teams where the sickness levels are higher than the Council average have been identified for further investigation.

Completed a programme to centralise ownership, management, and responsibility for all of the Council's land and property assets and budgets, within Corporate Property, to ensure the most effective use of our land and buildings

Issue: This has been rated as "Requiring Review" due to the uncertain market and economic conditions, their impact on Council and partner resources, market interest in land sales and value over the term. **Response:** The impact of economic conditions on delivery targets will continue to be monitored and reported as national and regional conditions unfold.

Kept on track to achieve all planned budget savings in the current year

Issue: It is forecast that of the in-year savings target of £8.057m, £7.037m will be achieved in the current financial year. **Action:** The Council is reviewing all of its savings initiatives and developing a programme of savings proposals to address the estimated funding gap over the medium term. Where savings have not been achieved in previous years and brought forward into the current financial year, mitigations and alternative savings delivery is being considered.

Implemented a contract and supply chain management regime across the Council which drives value for money throughout the contract lifecycle

Issue: There is an unprecedented demand for procurement and contract management staff. This is impacting on our ability to recruit into procurement and contract management vacancies and causing significant delays to establishing and implementing the Council's contract management framework which is key to this deliverable. **Action:** Various recruitment campaigns continue to be run, combined with changes to the recruitment process to make it easier for candidates to apply. While this is being addressed, some work is being progressed regarding contract management training and the implementation of the Council's Sustainable Procurement Policy.

Finalised the new ways of working with older people and people with a disability to increase their independence so that they remain part of their local communities

Issue: Progress is being delayed by a shortage of homecare to support people to be independent in their own homes. This is a national issue and not unique to Derbyshire. **Response:** As part of the Short Term Service review work has been undertaken to create new job profiles and structure for the service which have been approved. Whilst this is good progress there still remains a shortage of homecare support.

Percentage of defects completed within target timescales

Issue: So far in 2022-23, 9,252 defects have been completed, with 80.4% being completed within target timescales. Whilst this is below the target of 90% it is higher than at the same point in 2021-22, when 73.5% of defects were completed in target timescales. During Quarter 2, 94.1% of defects were completed in target timescales, which is higher than target. **Action:** It is considered that through the implementation of the Local Transport Plan Capital delivery scheme a reduction in defects will be seen throughout the year which should have a positive impact on the amount of defects.

Opened Hollis Lane Link Road Phase 1 in Chesterfield to improve road access

Issue: Due to economic conditions, cost uncertainty will remain until a construction contractor is appointed. **Response:** Rigorous process in the procurement of a contractor is underway to ensure best value.

Prepared a countywide response to the Integrated Rail Plan for the Midlands and the North in relation to HS2 to minimise any potential disruption and take full advantage of the economic growth opportunities

Issue: This action is delayed whilst the Government confirmation on the HS2 proposals around Chesterfield and Toton is awaited. **Response:** Whilst there is still no confirmation from the Department for Transport (DfT) on the northern leg of HS2, the development study is ongoing and consultation on the electrification of the Midland Mainline through the Derwent Valley Mills World Heritage Site is taking place with both Network Rail and the DfT.

Completed Outline Business Case and prepared a planning application to progress the Chesterfield to Staveley Regeneration Route, which will create new homes and jobs for the area

Issue: Scheme cost is the main issue with both Government and local contributions needing to be confirmed. **Action:** Active discussions are underway with both Government and private sector stakeholders over project funding.

Rolled out the Green Entrepreneurs scheme, a £2m grant fund to help local business to develop and invest in green energy and carbon reduction

Issue: Although progress is being made on the programme there is a lack of green entrepreneurial businesses coming forward - predominantly due to the current market conditions and rising inflation costs which seems to be affecting business confidence. **Response:** Work is taking place with the University of Derby to intensify networking opportunities to engage further with businesses and raise the awareness of the Green Entrepreneur Fund.

Worked with partners through the Vision Derbyshire approach to develop a countywide approach to improve social mobility, targeting underperforming areas across the county

Issue: There have been difficulties in recruiting to the Vision Derbyshire programme team which will take forward this work.

Response: Work is taking place to review current hosting arrangements for the programme team alongside a light touch review of the Vision Derbyshire approach which will consider the resourcing of the approach and recruitment to the vacant posts.

Mobilised the Derbyshire Cultural Framework and reviewed and developed a costed action plan for the Derwent Valley Mills World Heritage Site

Issue: The Derbyshire Cultural Framework is on track. With regard to the Derwent Valley Mills World Heritage Site Development Framework, an outline prospectus has been produced, however this requires wider partnership buy in.

Response: The Prospectus will be presented to Chief Executive Officers and Councillors from each of the Local Planning Authorities in the World Heritage Site by the Council's Head of Conversation and Executive Director of Place in the next calendar year.

Key Measures Updated for Quarter 2 2022-23

The following measures have been updated during Quarter 2:

Key Measure	Date	Actual	Target	Performance
Number of participants in Council delivered stop smoking programmes who stop smoking	Sep-2022	709	600	 Strong
Number of participants in Council weight management programmes who achieve 5% weight loss	Sep-2022	110	140	 Action (Review in Q1)
Uptake of full sexual health screen out of those eligible	Sep-2022	75.8%	60.0%	 Strong
Number of communities (geographic or thematic) applying a Thriving Communities approach	Sep-2022	6	6	 Good
Number of people from organisations and communities directly supporting the running of hyper local activity in Thriving Communities areas	Sep-2022	70	Not set	 No Target
Number of people who received support or benefiting from hyper local activities in Thriving Communities areas	Sep-2022	5,264	Not set	 No Target
Number of people with a learning disability and/or who are autistic with an outcome focused support plan	Sep-2022	489	453	 Strong
Number of people with a learning disability and/or who are autistic supported to move from 24-hour residential care to more independent supported living setting	Sep-2022	13	10	 Strong
Rate of improvement in the proportion of pupils in 'Good' or better primary schools	Sep-2022	2.7%	1.5%	 Strong
Rate of improvement in the proportion of pupils in 'Good' or better secondary schools	Sep-2022	8.0%	3.0%	 Strong
Percentage of children returning home after a period in care	Sep-2022	15.0%	16.0%	 Review (Good in Q1)
Increase in the proportion of children in care leaving through special guardianship orders where it is safe and appropriate to do so	Sep-2022	15.7%	15.7%	 Good (Review in Q1)
Number of children living with Council foster carers	Sep-2022	361	327	 Strong (Good in Q1)
Proportion of practice areas with reflective case reviews judged to be good or better	Sep-2022	79.1%	70.0%	 Strong
Early help assessments completed within 45 days	Sep-2022	97.3%	90.0%	 Strong
Social work assessments completed within 45 days	Sep-2022	91.5%	89.0%	 Good
Initial child protection conferences within 15 days	Sep-2022	92.4%	83.0%	 Strong

Key Measure	Date	Actual	Target	Performance
Percentage of Council run children's homes rated as 'Good' or 'Outstanding' by Ofsted	Sep-2022	91.7%	91.0%	 Good (Strong in Q1)
Number of services accessed via e-forms on the Council websites	Sep-2022	140	140	 Good
Employee sickness absence (Council, not including schools)	Sep-2022	5.7%	4.6%	 Action
Amount of money raised from the disposal of land and buildings	Sep-2022	£254,000	Not set	 No Target
Projected achievement of in-year budget savings	Sep-2022	£7.037m	£8.057m	 Action (Review in Q1)
Number of older people and disabled people able to access short term assistance to regain or increase independence	Sep-2022	1,416	1,794	 Action
Number of permanent admissions to residential and nursing homes	Sep-2022	484	466	 Review
Number of people with social care needs receiving Assistive Technology	Sep-2022	421	300	 Strong
Completed domestic abuse interventions	Sep-2022	36.5%	29.0%	 Strong
Percentage of parents/carers who feel that their child's EHCP has the right support in it	Sep-2022	75.0%	Not set	 No Target
Percentage of parents/carers who feel that their views were listened to during the assessment process	Sep-2022	75.0%	Not set	 No Target
Total amount of expenditure on the delivery of the Local Transport Programme	Sep-2022	£20.000m	£20.000m	 Good (Action in Q1)
Percentage of defects completed within target timescales	Sep-2022	80.4%	90.0%	 Action
Reduction in staff mileage	Aug-2022	4,787,810	4,625,530	 Review
Number of start-up businesses supported	Sep-2022	241	Not set	 No Target
Percentage of 16 to 17 year olds in education, employment or training (3 month avg)	Aug-2022	96.4%	94.6%	 Good
Percentage of pupils achieving the expected level in Phonics	Aug-2022 (Annual Measure)	75.0%	75.0%	 Good
Percentage point gap between disadvantaged pupils in Derbyshire and non-disadvantaged pupils achieving the expected standard in Phonics	Aug-2022 (Annual Measure)	18.7%	20.6%	 Strong
Amount of Apprenticeship Levy transferred to businesses	Sep-2022	£96,719	Not set	 No Target

Key Measures with new data for Quarter 1

The following measures have been updated during Quarter 2:

Key Measure	Date	Actual	Target	Performance
Number of participants who have improved their physical activity level	Jun-2022	85	Not set	 No Target

Key Measures with new data for Earlier Quarters

The following measures have been updated during Quarter 2:

Key Measure	Date	Actual	Target	Performance
Percentage reduction in CO2e from 2009-10 baseline	Mar-2022 (Annual Measure)	64.2%	63.0%	 Good

Progress on Council Plan priorities

DRAFT

Resilient, healthy and safe communities

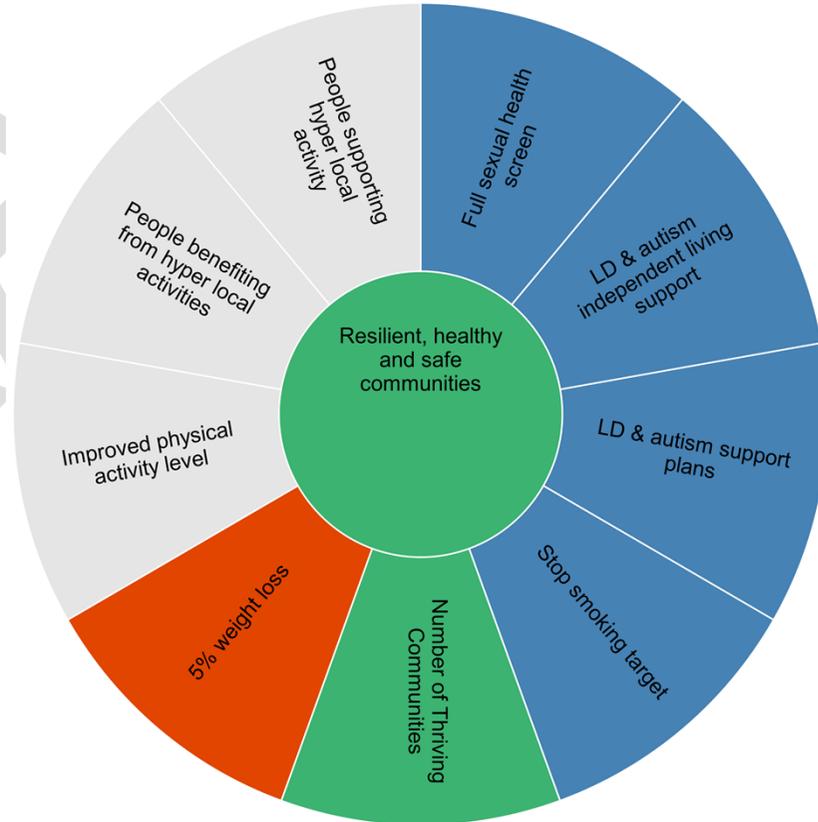
Overview

This priority shows overall “Good” progress for Council Plan deliverables, with 2 deliverables rated as “Strong”, 7 deliverables rated as “Good” and 2 deliverables rated as “Requiring Review”. These are shown graphically in the left-hand wheel below. Overall, the measures for this priority are rated as “Good” based on 6 rated measures. These are shown graphically in the right hand wheel below and listed in the following table.

Deliverable Progress



Key Measures



Key Measure Summary

Key Measure	Date	Actual	Target	Performance
Number of participants in Council delivered stop smoking programmes who stop smoking	Sep-2022	709	600	 Strong
Number of participants in Council weight management programmes who achieve 5% weight loss	Sep-2022	110	140	 Action (Review in Q1)
Uptake of full sexual health screen out of those eligible	Sep-2022	75.8%	60.0%	 Strong
Number of participants who have improved their physical activity level	Jun-2022	85	Not set	 No Target
Number of communities (geographic or thematic) applying a Thriving Communities approach	Sep-2022	6	6	 Good
Number of people from organisations and communities directly supporting the running of hyper local activity in Thriving Communities areas	Sep-2022	70	Not set	 No Target
Number of people who received support or benefiting from hyper local activities in Thriving Communities areas	Sep-2022	5,264	Not set	 No Target
Number of people with a learning disability and/or who are autistic with an outcome focused support plan	Sep-2022	489	453	 Strong
Number of people with a learning disability and/or who are autistic supported to move from 24-hour residential care to more independent supported living setting	Sep-2022	13	10	 Strong

Progress on our deliverables and key measures

✔ Worked with partners to enable individuals and communities to lead healthier and happier lives, accessing support when and where they need it to encourage physical activity, help people stop smoking and manage their weight

Rating: Good

Expected completion date: 31 Mar 2023

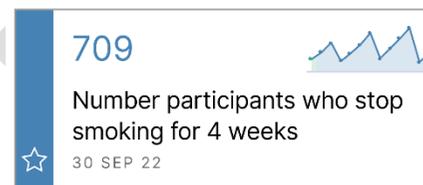
Throughout Quarter 2, a range of activity has taken place within Public Health to enable individuals and communities to lead healthier and happier lives.

Demand for Live Life Better Derbyshire (LLBD) stop smoking services has reduced in Quarter 2 compared to the 2021-22 financial year as it is likely that in that year there was a greater demand due to the impact of Covid-19. In Quarter 2, 538 people set quit dates and 350 people are forecast to achieve 4 week quits based on a 65% quit rate. The 4 week quit rate of 65% remains above the England average, which is 59%. LLBD is leading the implementation of the tobacco dependency treatment project in Derbyshire that is intended to offer stop smoking support to inpatients at Chesterfield Royal Hospital and Derby Hospital, with stop smoking support working directly at both hospitals.

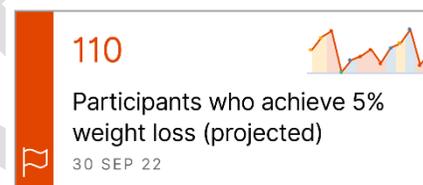
Demand for weight management services remains high, with numbers increasing monthly. 570 people started the weight management programme in Quarter 2, and it is projected that 68 people will achieve a 5% weight loss based on 20% of completers achieving target. Together with confirmed figures from Quarter 1 this means that it is predicted 110 people will achieve a 5% weight loss compared to a target of 140. LLBD continue to add new clinics to meet the demand for face to face delivery and are exploring measures to improve client retention rates.

LLBD continues to undertake engagement to encourage more men into the weight management service. Similarly, engagement is taking place with individuals who have a learning disability and those with long Covid to lose weight, both cohorts have reported good engagement and outcomes as a result of the interventions, and the service will continue to develop partnerships with the learning disability community across the County in Quarter 3.

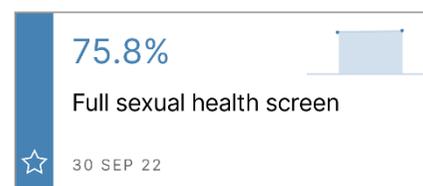
Demand for LLBD Physical Activity services has increased in Quarter 2 and remains very high. It is forecast that 85 people who started our physical activity programme will have improved their activity level. Capacity is being increased to support inductions to reduce the waiting time between initial contact with the service and receiving support via the programme. LLBD have introduced a new Move 4 Wellbeing pathway giving access to our physical activity service for people with low to moderate wellbeing.



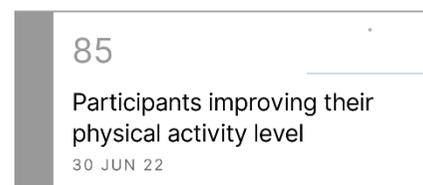
2019-2020	1,158
2020-2021	1,554
2021-2022	1,757
2022-2023	709
Target	600
Performance	Strong
Number of Participants	1,074



2019-2020	232
2020-2021	129
2021-2022	240
2022-2023	110
Target	140
Performance	Action (Review in Q1)
Number of Participants	991



2022-2023	75.8%
Target	60.0%
Performance	Strong

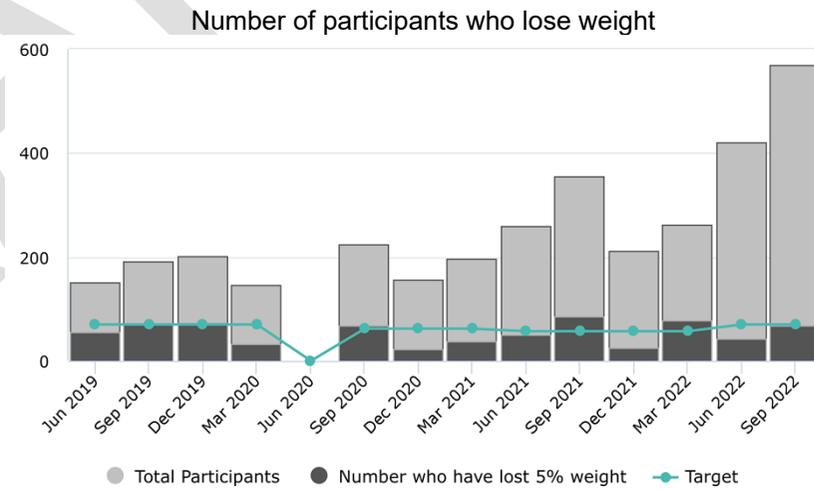
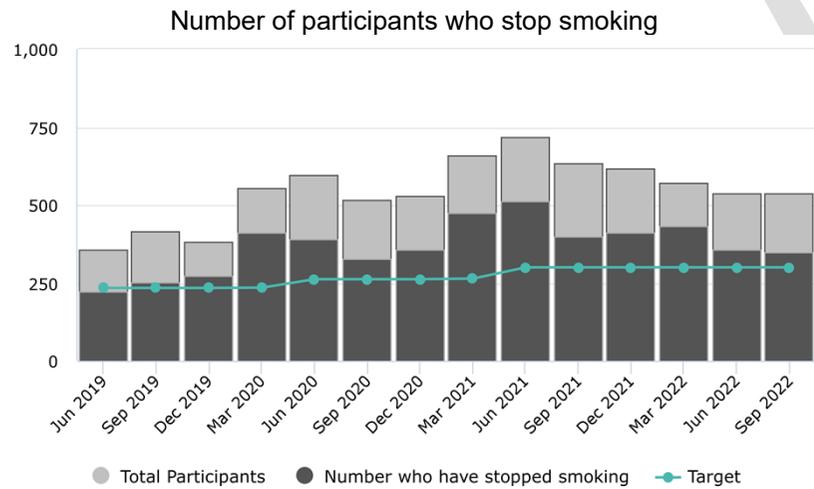


2022-2023	85
Target	Not set
Number of Participants	234

The Leisure Partnership Offer started in July 2021 as a way of supporting existing LLBD clients into existing community leisure services by providing either a free or discounted leisure centre membership option. Demand has increased in Quarter 1 and 2 with 214 total referrals (53.5% of the target) and 130 meets and greets completed (81% of the target). Work continues on the development of a partnership approach to commissioning physical activity services with Active Derbyshire, district and borough councils and wider partners. A Cabinet paper was approved to transform the way services are commissioned.

Throughout Quarter 2, there have been 8,119 contacts into the Derbyshire Integrated Sexual Health Service, not including online services. In Quarter 2, there has been a 77% uptake for a full sexual health screening either online or in a clinic which is 6,842 out of 8,927 offered so this has resulted in an average figure for 75.8% for year to date. At the end of Quarter 2, 85 schools are engaged and working on the Relationship and Sexual Education (RSE), Building Effective Relations Together Award. 16 schools in total have now achieved the bronze RSE award. There is generally less activity in Quarter 2 due the school summer holidays.

Public Health commission the Derbyshire Recovery Partnership to deliver adult substance misuse support services. In Quarter 2 there have been 315 referrals and there are 3,787 people in treatment at the end of the quarter (based on 12 month rolling average); during Quarter 2 we have seen an increase in the number of successful completions for opiate users. Work during Quarter 2 on the deployment of Supplemental Substance Misuse Treatment and Recovery Grant to enhance treatment quality and capacity continues. There are some challenges as a result of the grant programme being approved on an annual basis by HM Treasury, which has created some obstacles for partners in terms of recruitment due to short lived fixed term contracts. Public Health is working actively with our delivery partners to understand and overcome this.



✓ Provided support to people and communities in need, including financial help from our discretionary fund, and other activities that promote financial inclusion

Rating: Good

Expected completion date: 31 Mar 2023

Throughout Quarter 2 Public Health has continued to provide support to people and communities in need, including financial wellbeing via the Derbyshire Discretionary Fund. Demand for these services continues to be high due to the ongoing cost of living crisis and the support provided by the Household Support Fund, which is administered via the Derbyshire Discretionary Fund. There have been 7,112 awards in Quarter 2 totalling £775,386. There have been no instances of flooding hardship this quarter.

6,673 people have been supported to maximise their benefit income across provision delivered by the Welfare Rights team. The Welfare Rights Service has maintained high volumes from Quarter 1 and in addition has seen an increase in contact from the public in response to the Council led communications campaign around Cost of Living support. This includes 638 additional requests for benefit checks specifically from pensioners.

Wider support for financial inclusion provided by Public Health Advisory Services continues to be high in both GP surgeries and community settings and providers are reporting that individual cases are more complex with multilayer problems, thus requiring more follow up appointments and ongoing case work. During Quarter 2 the service has made 6,796 contacts, during this period the service has supported people to gain £2,583,339 in income and has supported people to manage £963,918 of debt.

✓ Implement key actions to reduce discrimination and tackle inequalities as set out in the Council's new Equality, Diversity and Inclusion Strategy 2022-2025

Rating: Good

Expected completion date: 31 Mar 2023

Overall, progress is being made against the majority of priorities identified for delivery during 2022-23. All five workstreams are being resourced with officers from across different services with all departments contributing. Additional stakeholders, such as representatives from employee networks and the trade unions, or from community groups, are also contributing to the development of action plans, or helping to shape what we are doing. Work has begun to monitor performance with the first six-month performance report on progress against the priorities contained in the Equality, Diversity and Inclusion (EDI) Strategy for consideration in early November 2023.

In addition, work which was timetabled for later in the life cycle of the Strategy, such as work to respond to changes in interpreting and translation services, development of an EDI Policy, and the need to review practice in relation to the collection of customer, community and employee data has been brought forward.

✓ Ensured the Council's strategic approach to community safety responds effectively to existing and emerging challenges such as serious violence and County Lines

Rating: Good

Expected completion date: 31 Mar 2024

Work is ongoing against all of the priorities outlined in the Derbyshire Community Safety Agreement. A new structure of Thematic Boards has been agreed by the Derbyshire Safer Communities Board in order to strengthen the partnership response. A number of Thematic Boards are now well

established and Board Chairs have been agreed for the remaining boards and they are in the process of holding their first meetings. The Council is playing a key leadership role in this work.

Further develop and embed the Thriving Communities approach to increase the number of people taking part in hyper-local activity and/or support, as part of connected teams of public services and communities working creatively together

Rating: Good

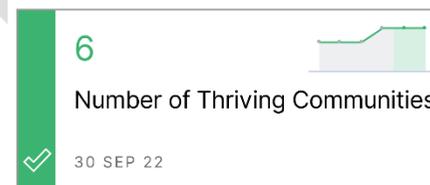
Expected completion date: 31 Mar 2023

During this quarter progress has been made in developing Connected Teams at community level and using the insight from this activity to inform the strategic direction of the Thriving Communities approach. The Council is working closely with partners and communities to understand the different landscape post-Covid, and how this is affecting the ability of staff and local people to work creatively together in welcoming, open community spaces. Activity continues to be focussed in Cotmanhay, Shirebrook, Gamesley, Newhall, Langley Mill and Ashbourne.

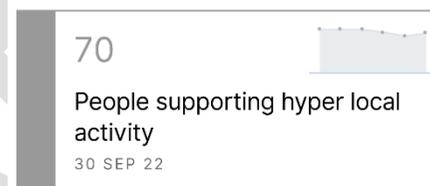
Overall, the number of people benefitting from Thriving Communities activity increased from 1,786 to 3,478. In Gamesley, Shirebrook and Cotmanhay a range of practical activities and events have been run for people and families, with higher participation rates coinciding with the school summer holidays. Connected Teams made up of staff and local people have supported this activity and have also provided low level support. The number of staff supporting local activity has risen from 29 to 37, as a result of Langley Mill and Ashbourne activity now beginning to take shape. The number of community members supporting has decreased from 48 to 35 as a result of the Shirebrook community space being closed for much of this period for refurbishment and regular activities not running. However, in terms of successful low-level support, the community drop-in has been re-established in Shirebrook with local people and service providers working together to offer a welcoming front door for people in need. Likewise, in Gamesley a significant amount of support has been offered to residents to help people access services (where eligible) and financial support during the current cost of living crisis, the effects of which are being felt by many community members.

Significant learning has been gained during this period, which will help the Council and its partners to understand the current ability and capacity of public sector organisations to collaborate around a community agenda. There remains an ongoing challenge in all areas to establish and sustain self-managed Connected Teams at the hyper-local level, this is primarily due to high demands on individual service. During this period Adult Social Care staff have been proactive in exploring how their preventative work can shift its culture and practice to support Connected Team activity, using Gamesley as a way to deepen understanding from a community and service perspective. This learning, alongside linkages with Children's Services and Public Health priorities, is feeding into organisational strategy for embedding the Thriving Communities approach.

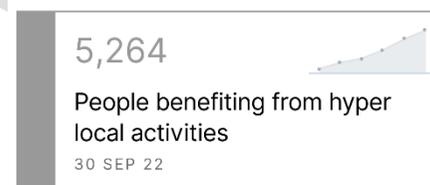
The Thriving Communities Board has not met formally during this period, as a result of postponements due to service pressures and circumstances beyond the Council's control. However, the Thriving Communities Spaces and Places (cross-departmental) group continues to grow in strength, working to improve local spaces for community use and accessible service provision. Its main achievement this period has been the completion of improvements



2021-2022	6
2022-2023	6
Target	6
Performance	Good



2022-2023	70
Target	Not set



2022-2023	5,264
Target	Not set

to the community spaces in Shirebrook. This work has been a successful collaboration with the community, with shared responsibility for works and a dynamic relationship which has provided value for money and appropriate design. The group has also worked closely with the community in Cotmanhay to understand how to make the best use of local facilities, including creating a long-term property lease on a key Council building used by the community and offering professional support to sustain community activity.

 **Supported more Derbyshire people to volunteer to help their communities, learning from and building on the remarkable response to the COVID-19 pandemic**

Rating: Good

Expected completion date: 31 Mar 2023

Voluntary and Community Sector (VCS) infrastructure providers across the county have been a vital source of support in mobilising volunteers and the wider sector to assist with response and recovery efforts and support to residents. To ensure that there is adequate VCS infrastructure in place to provide ongoing support during Covid-19 the Council has made an additional £250,000 payment to providers for twelve months until September 2022, per district area in Derbyshire, to ensure adequate infrastructure capacity to support core infrastructure - including volunteering. This funding has now been allocated to volunteer centres across the county and work will take place in the coming months to monitor this spend and understand the impact that this has made.

At its meeting on 6 December 2021, Cabinet also agreed to maintain all existing grant allocations to VCS infrastructure organisations, until March 2023. This includes an additional £100,000 for providers compared to pre-pandemic levels. Plans for VCS Infrastructure provision post April 2023 are also being developed for agreement.

A new funding framework and grant programme which was launched in January 2021 has approved 99 grants to voluntary and community organisations to the value of £462,426.

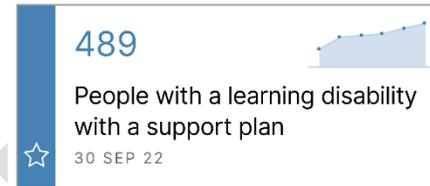
This funding will enable groups and communities to access resources to make their communities better places, whilst also delivering on the ambitions outlined in the Council Plan. This should give charities, social enterprises, community groups and community minded organisations the opportunity to mobilise local people, increase civic participation and deliver community identified priorities. Monitoring of early grant awards is taking place and this will look to identify the number of volunteers mobilised, how they have been supported and the impact funding is having on local communities.

★ Worked with people with learning disabilities, recovering from mental ill health and/or autism to develop Council services to ensure they are tailored to meet individuals needs and help people achieve their personal goals

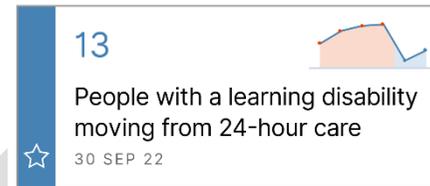
Rating: Strong

Expected completion date: 31 Mar 2025

During Quarter 2 the Better Lives programme of work has been reconfigured into the 'Best Life Derbyshire' programme of work. The central team of practitioners continue to work actively with people with a learning disability or who are autistic. In total 489 people have a new outcome focused plan in place. Cabinet have now taken the decision to redesign the Council offer of day opportunities for people with a learning disability and / or who are autistic. Further progress has been made to support people with a learning disability to move from a short-term residential placement to a supported living long term home within local communities and plans are in place to continue to progress during the year. Eight people have moved in the last quarter. This brings the total to 46 people since April 2021. Work is continuing with our Health partners to improve our joint services for people with a learning disability, recovering from mental ill health and / or who are autistic.



2021-2022	373
2022-2023	489
Target	453
Performance	★ Strong



2021-2022	33
2022-2023	13
Target	10
Performance	★ Strong

🔆 Transferred a minimum of five libraries to community management, engaging and involving communities in the development of a cost-efficient library service

Rating: Review (Good in Q1)

Expected completion date: 31 Oct 2024

Woodville Library transferred to Community Management on 21 August 2021. The Library Service has received Expression of Interest and Business Case applications for a further 2 libraries to be transferred: Old Whittington and Wingerworth. An expression of interest has also been received for Tideswell Library. The Library Strategy was relaunched in September 2021 to help drive renewed community interest in the transfer scheme. This action has been rated as review as no further interest has been received to date.

🔆 Reviewed how the Council delivers home to school transport for children with special educational needs ensuring the most effective use of resources

Rating: Review

Expected completion date: 31 Mar 2025

Work in this area during Quarter 1 highlighted a number of new and unexpected risks and challenges which required urgent focus delaying progress of this review. These issues included staff turnover and capacity within dependent areas of delivery which impacted business as usual service delivery and reduced capacity to develop this area of transformation. Mitigation of these risks has enabled more progress this quarter. The focus of activity during Quarter 2 has been on the decision-making process and how Children's Services can best assess the need for home to school transport to enable Place to plan the most effective use of resources. The need for information at specific times is key for effective delivery and this will be clearer once the established pilot panel starts to operate at the end of October 2022. This pilot process will take us to March 2023. Work to support better efficiencies and better outcomes will be developed based on the information and intelligence gathered from the pilot once it has completed.

 **Finalised the review of voluntary and community sector grants and established a consistent approach to future funding to support the sector to recover well, grow and thrive**

Rating: Good

Expected completion date: 31 Mar 2023

Following a 13 week consultation period on the Voluntary and Community Sector (VCS) Grants Review the Council received approximately 275 responses to the consultation and work has taken place to analyse the findings and put together a report alongside an Equalities Impact Assessment.

A report to Cabinet on 28 July 2022 provided an update on the current position, summarised consultation findings and set out next steps for taking the review forward alongside key recommendations for consideration.

Work has continued to implement the next stages of the review and immediate actions following Cabinet approval of proposals. This has included the completion of 62 individual grant assessments to ascertain whether funding should continue through a commissioned route using agreed criteria outlined in the report.

In mid-August, the Council wrote to all recurring grant recipients to inform them that full grant assessments had been completed and confirmed to organisations the recommended decision on their funding. This included an attachment of their individual assessment.

A six-week period of engagement also concluded at the end of September 2022 to help organisations impacted and support them to make a representation on the decision should they wish to do so. Officers have been meeting with affected groups, answering queries and responding to concerns.

Plans for VCS Infrastructure provision post April 2023 are also being developed for agreement. This will support meeting the recommendations set out in the last funding extension report in December 2021.

 **Established a new grant funding prospectus and framework and provided grants which promote positive behaviours for young people and residents, improve local networks, help people to feel safer, and encourage sustainable and green activity**

Rating: Strong (Good in Q1) Expected completion date: 31 Mar 2023

Delivery of the Council's new, outcomes-based funding programme for the sector continues through the Funding Framework and Prospectus. This includes investing in local people and communities to create opportunities for them to adapt, develop and grow.

Application packs are being sent to groups on a regular basis and at 21 September 2022, 251 applications had been received across all of the priority funding areas.

The most recent application round for medium grants closed on the 31 July 2022, and the Council received 51 applications. Final determinations of medium grants were made in early September 2022.

To date 99 grants to the value of £462,426 had been approved.

Of these:

- 37 grants met criteria relating to feeling safe and included in their local community, to the value of £286,760;
- 29 grants met criteria relating to promoting positive behaviours amongst young people, to the value of £179,355;

- 11 grants met criteria relating to being green and sustainable, to the value of £110,414;
- 24 grants met criteria relating to increasing civic participation and delivering community identified priorities, to the value of £151,801;
- 34 grants met the criteria relating to being physically active and making positive lifestyle choices, to the value of £158,581.

36 grants met criteria relating to more than one outcome and are included twice in the above numbers.

Plans are also underway to look at how the new grant funding approach can support an additional priority around the costs of living crisis and specifically community 'warm spaces'.

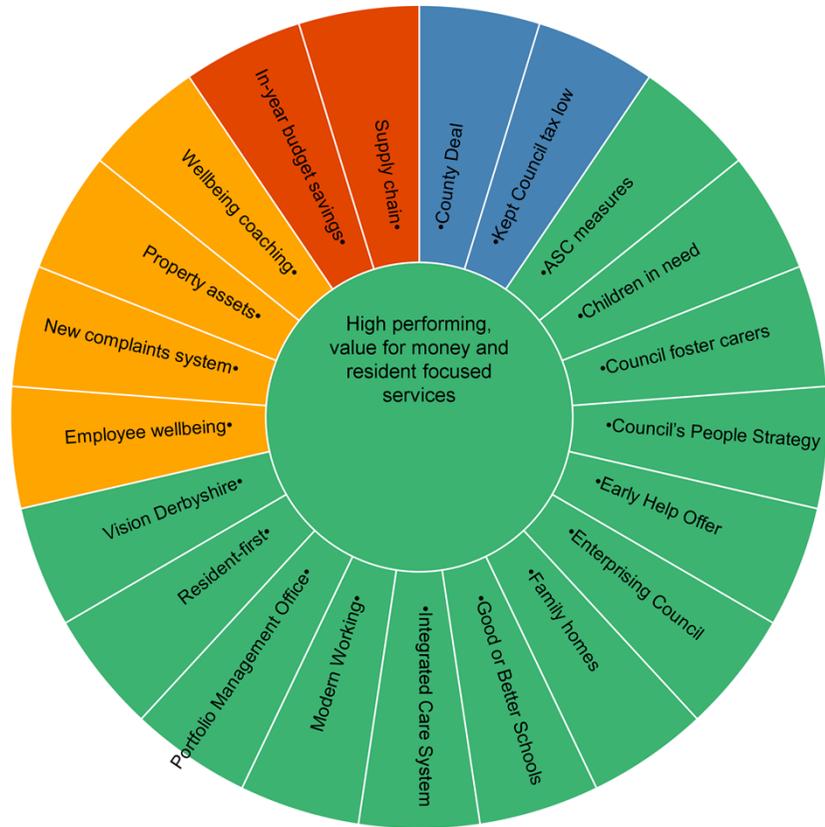
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High performing, value for money and resident focused services

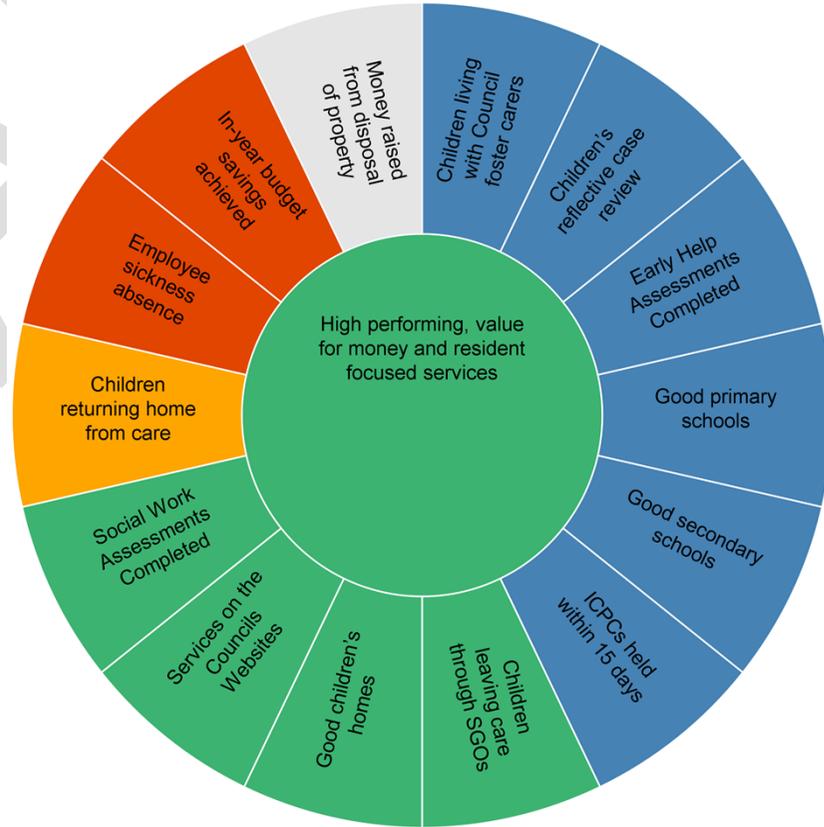
Overview

This priority shows overall “Good” progress for Council Plan deliverables, with 2 deliverables rated as “Strong”, 13 deliverables rated as “Good”, 4 deliverables rated as “Requiring Review” and 2 deliverables rated as “Requiring Action”. These are shown graphically in the left-hand wheel below. Overall, the measures for this priority are rated as “Good” based on 13 rated measures. These are shown graphically in the right hand wheel below and listed in the following table.

Deliverable Progress



Key Measures



Key Measure Summary

Key Measure	Date	Actual	Target	Performance
Rate of improvement in the proportion of pupils in 'Good' or better primary schools	Sep-2022	2.7%	1.5%	 Strong
Rate of improvement in the proportion of pupils in 'Good' or better secondary schools	Sep-2022	8.0%	3.0%	 Strong
Percentage of children returning home after a period in care	Sep-2022	15.0%	16.0%	 Review (Good in Q1)
Increase in the proportion of children in care leaving through special guardianship orders where it is safe and appropriate to do so	Sep-2022	15.7%	15.7%	 Good (Review in Q1)
Number of children living with Council foster carers	Sep-2022	361	327	 Strong (Good in Q1)
Proportion of practice areas with reflective case reviews judged to be good or better	Sep-2022	79.1%	70.0%	 Strong
Early help assessments completed within 45 days	Sep-2022	97.3%	90.0%	 Strong
Social work assessments completed within 45 days	Sep-2022	91.5%	89.0%	 Good
Initial child protection conferences within 15 days	Sep-2022	92.4%	83.0%	 Strong
Percentage of Council run children's homes rated as 'Good' or 'Outstanding' by Ofsted	Sep-2022	91.7%	91.0%	 Good (Strong in Q1)
Number of services accessed via e-forms on the Council websites	Sep-2022	140	140	 Good
Employee sickness absence (Council, not including schools)	Sep-2022	5.7%	4.6%	 Action
Amount of money raised from the disposal of land and buildings	Sep-2022	£254,000	Not set	 No Target
Projected achievement of in-year budget savings	Sep-2022	£7.037m	£8.057m	 Action (Review in Q1)

Progress on our deliverables and key measures

✔ Worked with schools so that the percentage of children and young people attending good or better schools improves at a faster rate than nationally

Rating: Good

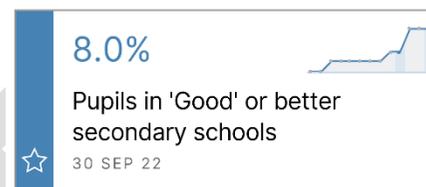
Expected completion date: 31 Mar 2025

The target set for the 2021-22 academic year was for Derbyshire to improve the proportion of pupils attending good or better schools at a faster rate than that seen nationally. This target has been achieved for both primary and secondary pupils. Although the rate of improvement was higher than that seen nationally with the gap narrowing, the overall percentage of pupils attending good or better schools is still too low in both phases, particularly at secondary level, and the deliverable will remain a priority for 2022-23.

During the 2021-22 academic year, the proportion of primary pupils in Derbyshire attending good or better schools improved by 2.7 percentage points from 81.6% in August 2021 to 84.3% in August 2022. The national rate of improvement during the same period was 1.5 percentage points. The percentage of Derbyshire pupils attending good or better primary schools (84.3%) however, remains below the national (90.1%) and statistical neighbour (88.6%) averages, with the Council ranked 132nd out of 151 authorities nationally. The proportion of Derbyshire secondary pupils attending good or better secondary schools improved by 8 percentage points between August 2021 (55%) and August 2022 (63%) which was higher than the 3 percentage point rate of improvement seen nationally. The percentage of Derbyshire pupils in good or better secondary schools (63%), however, remained almost 20 percentage points below the national (82.8%) and statistical neighbour (81.9%) averages.

Findings and learning from recent Ofsted inspections are routinely disseminated at briefings with headteachers and governors. A key area in which schools require support is for recording the actions that have been taken to keep children safe in education. As a result, the Council's Child Protection Manager is delivering key messages at meetings with headteachers, Council link advisers as well as with Designated Safeguarding Leads in schools. Schools which are to be inspected imminently will also be targeted for a discussion about safeguarding procedures.

The Education Improvement Service facilitated an input by the Ofsted Senior Her Majesty's Inspector at the meeting with Council link advisers in September 2022 and key messages will be disseminated at the set of headteacher meetings in October 2022. Link advisers will focus on safeguarding through the curriculum reviews they will be undertaking.



2021-2022	2.0%
2022-2023	2.7%
Target	1.5%
Performance	Strong

2021-2022	1.9%
2022-2023	8.0%
Target	3.0%
Performance	Strong

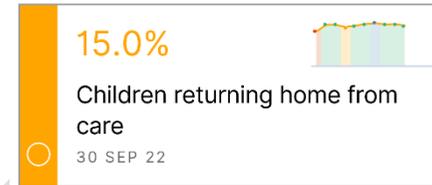
✔ Helped more children in care to return to live with their birth families, or to find other loving, permanent family homes

Rating: Good

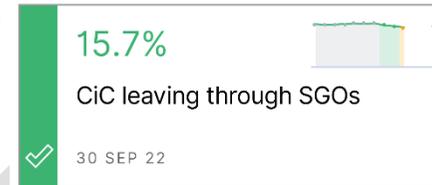
Expected completion date: 31 Mar 2025

The Providing Permanence outside care workstream has continued to be embedded. Assessments are being completed with more children across the county in order to inform decisions about their return to live with birth families or their ability to progress other permanence plans such as Special Guardianship. For the 12 months to the end of September 2022, 15.7% of children left care through Special Guardianship orders, up from 14.5% last quarter, and 15% of children returned home after a period of care, down from 16% last quarter. The next 6 months are crucial to understanding the success and sustainability of the work and how it supports practitioners to deliver creative and impactful care plans for children.

We also continue work to review our edge of care offer, this work will inform how we shape our services and support packages to help children remain at home with their families, help them return home and how we support children placed in care to achieve placement stability.



2020-2021	15.0%
2021-2022	17.0%
2022-2023	15.0%
Target	16.0%
Performance	Review (Good in Q1)



2021-2022	16.9%
2022-2023	15.7%
Target	15.7%
Performance	Good (Review in Q1)

✔ Increased recruitment, utilisation, and retention of Council foster carers to ensure that more children in our care can benefit from loving stable homes with foster carers

Rating: Good

Expected completion date: 31 Mar 2025

The Council's Fostering Service is our provider of choice due to both quality and cost and we continue to work hard to ensure an efficient and effective growth strategy for fostering to improve the quality and placement choice for our children. At the end of Quarter 2, there were 361 children living with Council foster carers. This is an increase from 332 at the end of Quarter 1. The target this year is to be in line with or improve the position at the end of March 2022 when 327 children were living with Council foster carers.



2021-2022	327
2022-2023	361
Target	327
Performance	Strong (Good in Q1)

Recruiting and retaining foster carers remains a challenge for the Fostering Service. At the end of Quarter 2, there were a total of 272 fostering households with 6 new fostering households approved during the quarter and 12 assessments in progress. Enquiries to the Fostering Service were low during Quarter 2, continuing the trend seen in the previous quarter. A total of 60 enquiries were received during Quarter 2, which is below the target of 150 enquiries. A similar picture is reported across the Derby, Derbyshire, Nottingham and Nottinghamshire local authorities. Word of mouth, Facebook and the internet continue to be the highest sources of enquiries. Despite the low number of enquiries, joined-up working between the Fostering Service and the Digital Communications Team continues to target marketing activity more effectively in order to generate enquiries that are more likely to progress to application and assessment. Work continues on embedding and sustaining the practice developed to improve recruitment through the Achieving Great Futures Sufficiency Workstream in 2021-22, however, there has been an increase in the number of enquiries that do not progress because the team is unable to make contact, despite numerous attempts to do so.

The utilisation of fostering placements remained above the target of 95% at the end of Quarter 2, with 97% of available placements filled and only 6 vacant places. 65 placements were unavailable, with 'foster carers taking a break', 'the needs of the child currently in placement' and 'carer reasons' (usually ill health) as the main reasons for placements not being available. This is an improvement on Quarter 1 when 74 placements were unavailable. Unavailable placements are regularly reviewed by managers and performance is monitored on a fortnightly basis with oversight from the Operations Manager.

Nine foster families left the service during Quarter 2, resulting in a net loss of 3 when the number of new approvals is taken into consideration. Changes in family circumstances, retirement, and child no longer in care (relating to Family and Friends Foster Carers) remained the main reasons for families leaving the service during Quarter 2. Two of the nine foster families who resigned during Quarter 2 had been fostering for 5-10 years with a further 3 for more than 10 years. The Fostering Network estimates that the average length of service for a foster carer is 6.3 years. This indicates an ongoing risk for the Fostering Service in terms of our ability to retain foster families in the future. Marketing activity aimed at targeting a younger cohort of foster families remains a priority for the service and is a priority in the Fostering Service Modernisation Programme. The cost of living and being unable to afford to foster is increasingly being cited by existing foster carers as a reason for considering resigning. Managers and Supervising Social Workers routinely work to address the issues raised by foster carers through Support to Stay Conversations. A 6% uplift on fostering allowances was applied in April 2022 and a bid has been made for a further uplift in 2023-24. Work is also in progress to consider options for making a further payment in this financial year to reflect the increased cost of living and impact for our foster families and the children in their care.

The Fostering Service Modernisation Programme will enable the service to build on its strengths while ensuring that we are in the best position to grow the service and care for more children in high-quality family placements, against the backdrop of an increasingly competitive market. However, the low number of enquiries received during Quarter 1 and Quarter 2 when added to the trend in the number of foster families leaving the service means that the service remains in net loss in 2022-23.

Improve the quality of our support for children identified as being in need, so that concerns do not escalate

Rating: Good

Expected completion date: 31 Mar 2025

We have continued to progress work which strengthens the line of sight of children in need. This work is embedding across localities with the aim of ensuring intervention is timely and impactful for children. This work has improved evidence of Manager oversight of child in need work and we have fine tuned our child records system to make sure child in need plans are sent out in a timely way. The impact of this work will be kept under review during this year.

New tools and guidance to support staff working with children and families at the edge of care has been published. The work was informed by regional development work to strengthen tools available to workers supporting children.

Developed a longer-term preventative wellbeing coaching model that offers health and wellbeing advice to prevent, reduce and delay the need for adult social care services

Rating: Review

Original completion date: 31 Dec 2022

Expected completion date: 31 Mar 2023

The Health and Wellbeing Team are continuing to work through the process of developing a new service model using the Design Council principles and approach. Throughout Quarter 2, exploration of new ways to access and deliver the service have continued, including initial discussions with Adult Social Care to improve joint working and support transformation. Review and redesign of team health and safety protocols are also underway. A

development session has been completed to help identify strengths within the team. Approval to procure the coaching qualification has been received and collaboration with Cumbria County Council and Cumbria University continue as it is developed, this will start in January 2023. Following the restructure recruitment has continued throughout Quarter 2 and is nearing completion.

The rating is 'Requires Review' (some risk to achieving timetable). The reasons for this are that some areas of the project continue to be behind schedule, particularly the online form, completing the challenges identified in the discovery phase and the recruitment of staff to the temporary posts. There is also a concern that the winter pressures demand may impact on timescales, despite the deadline for completion of the project being extended to the end of March 2023.

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✓ Provided consistent, high quality early help and safeguarding services for children and families across Derbyshire

Rating: Good

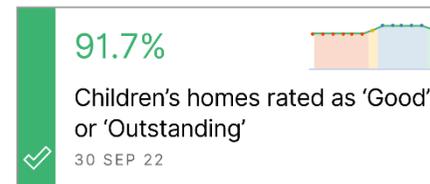
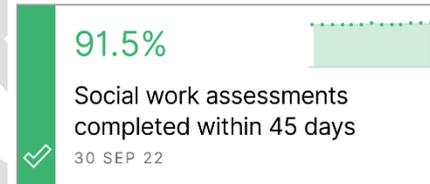
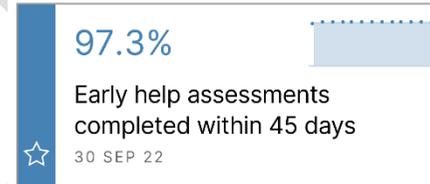
Expected completion date: 31 Mar 2023

A stable, motivated and high performing workforce is essential to providing consistently good services for our children and young people and we have continued to strengthen our recruitment and retention activity, including increased engagement with Frontline and Apprentice Social Work training. However, as highlighted by the recently published 'Care Review', the recruitment of experienced qualified social workers is a national challenge and this year in Derbyshire has seen recruitment of children's social workers dip below the expected trajectory for the first time in four years.

Derbyshire's practice model, Stronger Families Safer children was refreshed and rolled out in early 2022 and the training for all safeguarding teams has been rolled out. We have also published a new Practice Standards for our social workers which complements our full policy and procedures by providing clear best practice guidance for our staff. The wider workforce development programme continues to be reviewed to ensure pathways for learning and development remain relevant and meet expectations.

In September 2022 Ofsted completed a focused visit which looked at children in need and subject to a protection plan. Whilst focused visits do not provide a graded judgement the letter which results from the inspection visit provides a strong narrative in regard to the quality of services provided to children and families. We are currently waiting for the publication of the final letter, however the headline feedback was very positive and demonstrated a continued strong direction of travel for quality of services in Derbyshire.

We have continued to audit the quality of our work using Reflective Case Reviews (RCRs). 79% of practice areas within the RCRs completed over the last rolling 6 months period were judged to be good or better. 11 out of the 12 (91.7%) of Derbyshire children's homes are judged good or better at the end of September 2022. Performance focussed on the timeliness of key processes that keep children safe continues to be solid with 91.5% of social work assessments and 97.3% of early help assessments completed within timescales and 92.4% of initial child protection conferences held within timescales.



2020-2021	57.3%
2021-2022	77.4%
2022-2023	79.1%
Target	70.0%
Performance	★ Strong

2020-2021	86.9%
2021-2022	97.0%
2022-2023	97.3%
Target	90.0%
Performance	★ Strong

2020-2021	92.2%
2021-2022	92.3%
2022-2023	91.5%
Target	89.0%
Performance	✓ Good
National Benchmark	87.6%

2020-2021	84.2%
2021-2022	90.0%
2022-2023	92.4%
Target	83.0%
Performance	★ Strong
National Benchmark	83.0%

2020-2021	90.0%
2021-2022	100.0%
2022-2023	91.7%
Target	91.0%
Performance	✓ Good (Strong in Q1)

✔ Implemented new national inspection measures for adult social care to benchmark across the sector to improve outcomes for local people and drive value for money

Rating: Good

Expected completion date: 31 Mar 2023

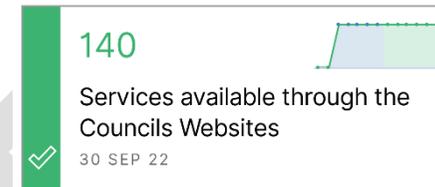
During Quarter 2 Adult Social Care submitted the new national inspection measures and is now in the position to benchmark with other local authorities in the East Midlands region.

✔ Supported a resident-first approach through a range of mechanisms to improve access to online services and customer service performance

Rating: Good

Expected completion date: 31 Mar 2025

Phase 3 of the Channel Shift programme is now underway, with a renewed focus on customer experience and the use of data to produce evidence and support decision making across the organisation. Over 140 services are currently online, expected to rise to 150 by April 2023 with complex areas in Adult Social Care and Children's Services to be tackled. Ongoing work is underway with the Place department to conclude the work of phase 2 and integrate to their new asset management system.



2021-2022	140
2022-2023	140
Target	140
Performance	✔ Good

🟡 Put in place a new complaints and feedback system to improve service delivery and resident experience

Rating: Review

Original completion date: 31 Jul 2023

Expected completion date: 31 Dec 2023

The new complaints system for Children's Services has now been delivered with the department carrying out training and roll out. Place have the system available to use and have a group of officers trained, and are planning their implementation and roll out. Work will begin with Adult Social Care & Health (ASCH) in Autumn 2022 to understand their requirements and how the new system can be introduced, which could require complex integration with existing ASCH systems. The ability to create complex and bespoke reports from the feedback system is required across all departments and ICT are finalising the approach for this. This deliverable will be kept as a 'review' rating until the reporting requirements are fully implemented and timescales for implementation in Place and ASCH are understood.

✔ Implemented Phase 4 of the Vision Derbyshire approach including activity on business support, climate change, homelessness, independent living and skills and employment priorities, creating new arrangements to speed up joint decision making with partners

Rating: Good

Expected completion date: 31 Mar 2023

The Vision Derbyshire Joint Committee held its second meeting on 11 July 2022 and approved:

- Revised Vision Derbyshire governance;

- Alignment of Phase 4 delivery plans with County Deal proposals;
- Plans to progress the Build Proactive Communities thematic programme;
- A prioritised Climate Change action plan;
- The future plans for the Business Start-up programme in principle.

Work continues within the Council to progress the enablers and shared services workstream, following successful workshops with Vision Derbyshire Councils' senior management teams in 2021.

The main focus of the programme over quarter two has been continuing to deliver and develop plans to extend projects already underway, scoping proposed projects and working on the further alignment to the county deal.

Progressing new programmes and projects has been made challenging by the difficulty in recruiting staff to the programme team, which is significantly reducing capacity to take forward the approach.

The Vision Derbyshire Joint Committee will hold its third meeting in early October 2022. Planning for this committee is a current priority and further work is taking place to scope a review of the Vision Derbyshire Programme in light of the County Deals announcement. Plans to progress the Planning and Climate Change Theme are being developed for agreement alongside outcomes and achievements to date.

Worked with partners and central government to negotiate a County Deal for Derbyshire and Derby as one of the nine early pathfinder areas including securing powers, flexibilities and funding and establishing effective governance arrangements

Rating: Strong

Expected completion date: 31 Mar 2023

Following the Council receiving confirmation of its place amongst a small number of county areas to progress as a first wave pathfinder, work has been accelerating at pace on devolution proposals, following the negotiations with Government in July and August 2022.

The Government signed a devolution deal with Derbyshire and Derby and Nottinghamshire and Nottingham Councils on 30 August 2022 which will see the East Midlands receiving £1.14 billion over 30 years to invest in the region and the establishment of an East Midlands Mayoral County Combined Authority, subject to formal agreement and public consultation.

Following the announcement work will now commence on the development of the County Combined Authority (CCA) operating model and transitional arrangements to move towards a shadow CCA. Work is also continuing on developing governance options, Vision Derbyshire alignment and planning, with current priorities around the development of a proposal alongside preparations for formal consultation.

The Council has continued to maintain ongoing dialogue with key stakeholders, especially district and borough council partners and this has also included a series of Vision Derbyshire meetings, with additional member briefing planned for October 2022. The Parish and Town Council Liaison Forum planned for 17 October will consider progress on County Deals.

✔ Implemented a programme of strategic transformation as part of Phase 2 of the Enterprising Council approach including the establishment of a new Corporate Portfolio Management Office to ensure projects and programmes are coordinated, consistent and deliver improved outcomes and value for money

Rating: Good

Expected completion date: 31 Mar 2023

Throughout Quarter 2, all strands of the work to establish a corporate Portfolio Management Office (PMO) as part of Strategic Transformation and Portfolio Implementation Programme continues to progress at pace. Over the last quarter the following has taken place:

- Business Change Business Partner roles have been recruited to, and the four successful candidates have commenced working for the Council.
- Further work to develop the Project & Programme Management Community of Practice has commenced with monthly sessions held. Colleagues across the Council have worked together to develop the new corporate approach to managing programmes and projects, along with a series of tools, documentations and training. This is all currently going through a Quality Assurance process.
- The outcome of the high level operating model has been approved, with the creation of a new Transformation & Strategy division and Director role within Corporate Services and Transformation.

✔ Reviewed the Enterprising Council approach to identify achievements and successes to date, whilst developing Phase 3 of the programme to transform, modernise, collaborate and innovate as a Council

Rating: Good (Review in Q1) Expected completion date: 31 Dec 2023

The planned closure of Phase 2 of the Enterprising Council Programme remains outstanding whilst the review of Phase 3 takes place. The new Executive Director for Corporate Services and Transformation has taken on the role of Sponsor for this programme of work from the Executive Director of Adult Social Care & Health.

The review of Enterprising Council Phase 3 has commenced and various discussions have taken place with the Enterprising Council Board. A session has been arranged with Executive Directors for the autumn to share the thinking of the Board and proposed ways forward, this includes a refresh of the Enterprising Council Strategy with a supporting programme of change, a revised strategic framework and refreshed governance arrangements.

✔ Designed, scoped, and developed Phase 2 of the Modern Ways of Working strategy working with employees and assets to progress the Council's approach to further modernising working practice to bring about more agile and flexible working

Rating: Good (Review in Q1) Original completion date: 31 Dec 2022

Expected completion date: 31 Mar 2023

Throughout Quarter 2, progress on the Modern Ways of Working (MWoW) programme has picked up. The recruitment of a new Programme Manager has been undertaken and this person is now in post.

Throughout Quarter 2 we have seen progress in the following areas:

- Site Restructured Preparation Work - operating to time and plan, the Data Protection Impact Assessment is in place;
- Review of County Hall - progressing to time and plan;

- Multi-Function Device re-contracting - the Business Case regarding the procurement route for this re-contracting is currently waiting for approval from the Council's procurement function;
- Benefits realisation & Phase 3 Business Case - an initial benefits workshop has been held to trial the new benefits approach being developed within the Council;
- Communications & Engagement - communications continue to be undertaken across the organisation with regards to updates on the programme.

A clear reporting structure for the above work and interdependent activity is now in place and monthly Programme Board meetings are in operation.

✔ Worked in partnership with the NHS to support the establishment of a well-functioning Integrated Care System, Integrated Care Partnership and Local Place Alliances that benefit the health and wellbeing of the people of Derbyshire

Rating: Good

Expected completion date: 31 Mar 2023

Throughout Quarter 2 there has been a range of developmental activity across Adult Social Care and Health in relation to the new Derby and Derbyshire Integrated Care System (ICS). Public Health contribute to the new ICS strategic intelligence function by contributing to the development and implementation of the Data & Intelligence Strategy. The Integrated Care Partnership (ICP) has been meeting in shadow format throughout Quarter 2 to further develop governance and working arrangements. The Council has led a piece of work which has ensured that the Health and Wellbeing Board (HWB) governance effectively links in and aligns with the ICP. The Derbyshire HWB has reviewed draft revised Terms of Reference, and these have been consulted on throughout Quarter 2 pending sign off at the next HWB meeting in early October. Work has also taken place to finalise the ICP as a joint committee and this will be approved at Cabinet in October.

The Population Health Management Programme, which is hosted by the Public Health department, continues to be delivered alongside GP colleagues and primary care. The programme aims to consider how data can be used to identify individuals who may benefit from proactive health services that identify concerns and issues at an early stage. The programme is also considering how partner agencies may also be able to support the delivery of interventions that prevent a person's health from further declining and promotes wellbeing.

Scoping work for the Integrated Care Strategy continued throughout Quarter 2 with senior officers inputting from the Council and a group of officers now actively working on content alongside NHS partners. Initial meetings have taken place to scope the County Place Partnership and role of the Integrated Place Executive in supporting the delivery of the ICS Strategy. Development work on the Joint Strategic Needs Assessment continued to take place with engagement events taking place at the end of Quarter 2 with key stakeholders to further inform the development of a self-serve data platform which will be a single point of access for data needs for Derbyshire and its partners that supports evidence and intelligence informed planning and action.

✔ Deployed the Council's approved People Strategy and associated people priorities, encompassing the Council's people ambition, employee values and behaviours

Rating: Good

Expected completion date: 31 Mar 2023

All departmental people plans have been refreshed and work continues to align these to workforce planning and the wider deployment of people initiatives. Policy development work in underway in the identified areas of priorities.

Reviewed the Council’s Wellbeing Strategy and associated action plan to further support employee wellbeing, reduce sickness absence and improve service delivery

Rating: Review

Expected completion date: 31 Mar 2023

Work is ongoing to collate all the existing Council Health Safety and Wellbeing policy and guidance and to begin to rationalise this into a one Council format. A risk-based inspection programme for Council premises for 2022-23 has been developed and agreed and is well underway. A self-inspection form and associated guidance has been published for those premises not included in the formal inspection programme and reminders have been issued to managers to complete this.



2020-2021	4.1%
2021-2022	5.1%
2022-2023	5.7%
Target	4.6%
Performance	Action

The risk profiling methodology which was trialled within Place was well received but the trial highlighted some amendments that would enhance the process. These are currently being made and the process will recommence following these.

Work to refresh and introduce a new Health and Safety Self-Audit Form and programme is underway and the Risk Profiling work will be tied into this.

The Council as part of the wider Integrated Care System Wellbeing Group participated in the Vitality Health Britain's Healthiest Workplace Survey. 464 employees completed the survey, the highest return of any of the organisations within the system. The survey has generated a multitude of data covering a number of metrics that will be used to inform the Council's wellbeing offer going forwards. This group are currently working on developing a system wide Menopause policy for adoption by all the partners.

Regular meetings between Health Safety and Wellbeing Managers and HR Business Partners continue to better understand and support departmental needs. Work has been undertaken on updating the Council's Health and Safety Policy and a number of specialist Occupational Health contracts have been re-procured.

Work has continued on refreshing the Council's Wellbeing Strategy which is ready for formal agreement and once agreed an implementation plan will be developed and the action plan refreshed to reflect this.

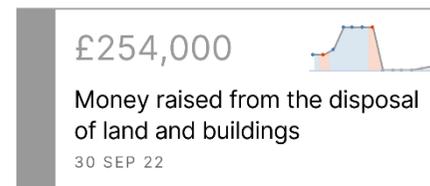
The percentage of employee sickness has increased from 5.4 % at Quarter 1 to 5.7% for 2022-23 up to the end of September, against an end of year target of 4.6%. Work is underway to break down further the sickness absence data to better understand the underlying causes of sickness across the largest identified primary causes of sickness. The impact of spikes in Covid-19 infections rates is also being explored. Sickness levels continue to be reported to Departmental Senior Management teams on a regular basis. Teams where the sickness levels are higher than the Council average have been identified for further investigation.

Completed a programme to centralise ownership, management, and responsibility for all of the Council’s land and property assets and budgets, within Corporate Property, to ensure the most effective use of our land and buildings

Rating: Review

Expected completion date: 31 Mar 2025

The programme is progressing towards transition arrangements for Tranche 1 assets from 1st April 2023.



2020-2021	£3,961,593
2021-2022	£2,783,000
2022-2023	£254,000
Target	Not set

Work is being progressed through the six Workstreams:

- Panel Overview - Maintaining the overall overview and tracking all workstreams, to ensure programme outcomes and delivery. Critical path being pulled together including communication plan for stakeholder engagement.
- Governance Procedures & Compliance - Identifying the existing and proposed processes, gaps, and mapping. Process mapping taking place for 'as is' and 'to be' procedures to find and implement efficiencies.
- Service Level Agreements / Responsibilities - Ensuring Service Level Agreements and Standards as well as the Responsibilities Standards. Ensures the correct structure is in place post implementation.
- Budget / Cost Transfer - Capturing the property running costs, expenditure and costs across all assets.
- Asset Systems - Reviewing the existing Assets Systems and developing systems proposals to capture all assets as well as providing improved customer experience.
- People - Aligning with all workstreams to ensure that structures, resources, and learning & development are fit for purpose.

During Quarter 2 £245,000 was raised from the disposal of land and buildings with just under £1 million expected during Quarter 3, however this is subject to market uncertainty and the ability of buyers to secure finance in a volatile market.

Due to uncertain market and economic conditions, their impact on Council and partner resources, market interest in land sales and value over the term, this action is rated as "Requiring Review". These influencers to our delivery targets are structural in nature and Corporate Property will continue to monitor and report as national and regional conditions unfold.

Kept Council Tax within the lowest 25% of county council areas and lobbied government to secure a better funding settlement

Rating: Strong

Expected completion date: 31 Mar 2023

Analysis shows that the Council is ranked as the lowest authority when comparing the average council tax per dwelling against comparator authorities who deliver similar services. As such, the Council's Council Tax level remains in the bottom 25% of similar authorities.

The Council continues to take opportunities to lobby Government for an improved and multi-year funding settlement, individually and collectively as part of the national Society of County Treasurers group. The Council will continue to seek opportunities to lobby on this matter. This activity is continuing as part of the 2022-25 Council Plan and progress will continue to be reported on a quarterly basis.

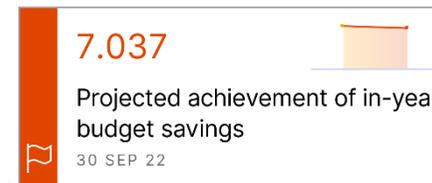
The Council has recently written to the Secretary of State for Department, Levelling Up, Housing and Communities outlining the inflationary pressures faced by the Council requesting that local authorities are provided with additional funding in the forthcoming Finance Settlement.

A survey has been distributed by the Society of County Treasurers (SCT) in respect of inflationary pressures to support further lobbying by the SCT. The Council has submitted its response accordingly.

Kept on track to achieve all planned budget savings in the current year

Rating: Action (Review in Q1) Expected completion date: 31 Mar 2025

The budget savings target for 2022-23 is £8.057m, with a further £14.905m target brought forward from previous years. Of the in-year savings target, it is projected that £7.037m will be achieved in the current financial year. The Council is reviewing all of its savings initiatives and developing a programme of savings proposals to address the estimated funding gap over the medium term. Where savings have not been achieved in previous years and brought forward into the current financial year, mitigations and alternative savings delivery is being considered.



2022-2023	£7.037m
Target	£8.057m
Performance	 Action (Review in Q1)

Implemented a contract and supply chain management regime across the Council which drives value for money throughout the contract lifecycle

Rating: Action (Review in Q1) Expected completion date: 31 Mar 2023

The impact of Covid-19 and Brexit on sourcing and supply chains means procurement & contract management is being recognised as a key strategic part of many organisations. This is creating an unprecedented demand for staff skilled in these areas. This is impacting on our ability to recruit into procurement and contract management vacancies and creating significant delays to establishing and implementing the Council's contract management framework.

However, some work has progressed which will support this deliverable long term. The Derbyshire version of the Contract Classification Tool (a tool used by Central Government to classify contracts as bronze, silver, or gold based on spend, risk and complexity) has now been finalised and classification of the Council's existing contracts will shortly be completed. This will enable easy identification of the Council's high value/high risk contracts and will help prioritise contract management activities once staff are in place.

Contract Management training is now available free of charge via Central Government, and this has been publicised across the Council to enable staff who are currently tasked with managing contracts to access training. Derbyshire are also working with the Cabinet Office in piloting an advance contract management training offer, with 10 staff from various departments taking part. The Derbyshire Contract Management Guide/Framework is also in development and will inform the appropriate level of contract management required for each classification level.

Embedding appropriate levels of commercial contract management will ensure compliance with the National Procurement Strategy and drive cost saving, ensure value for money, and reduce workload into other key teams such as Legal, Audit & Risk.

The Sustainable Procurement Policy was agreed by Cabinet in July 2022 and roll-out/implementation has begun with communications being issued both internally and in the press.

Effective early help for individuals and communities

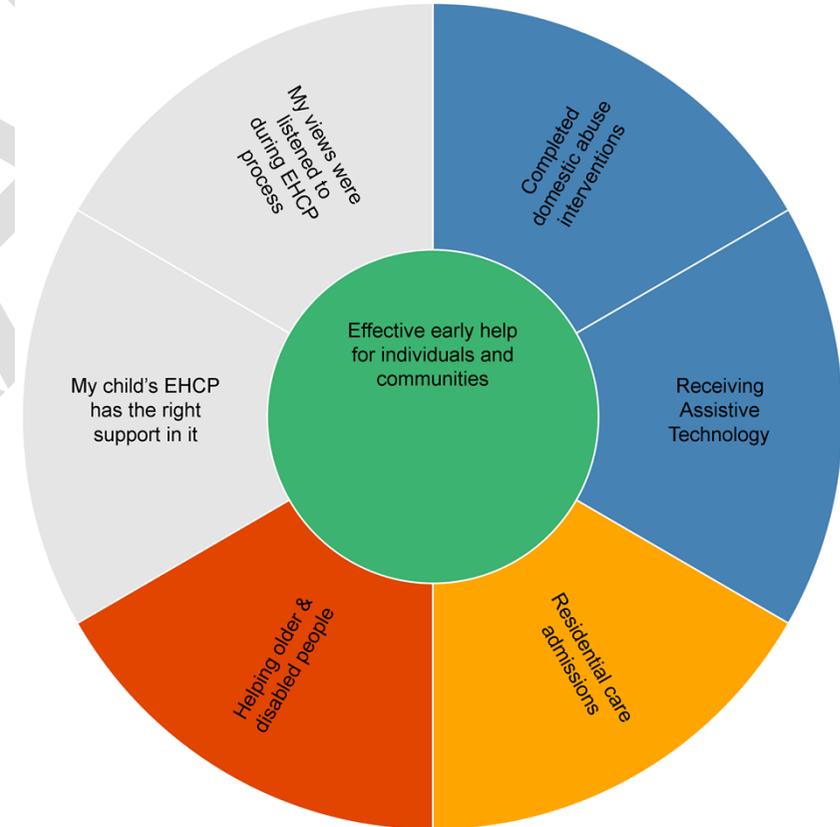
Overview

This priority shows overall “Good” progress for Council Plan deliverables, with 1 deliverable rated as “Strong”, 6 deliverables rated as “Good” and 1 deliverable rated as “Requiring Review”. These are shown graphically in the left-hand wheel below. Overall, the measures for this priority are rated as “Good” based on 4 rated measures. These are shown graphically in the right hand wheel below and listed in the following table.

Deliverable Progress



Key Measures



Key Measure Summary

Key Measure	Date	Actual	Target	Performance
Number of older people and disabled people able to access short term assistance to regain or increase independence	Sep-2022	1,416	1,794	 Action
Number of permanent admissions to residential and nursing homes	Sep-2022	484	466	 Review
Number of people with social care needs receiving Assistive Technology	Sep-2022	421	300	 Strong
Completed domestic abuse interventions	Sep-2022	36.5%	29.0%	 Strong
Percentage of parents/carers who feel that their child's EHCP has the right support in it	Sep-2022	75.0%	Not set	 No Target
Percentage of parents/carers who feel that their views were listened to during the assessment process	Sep-2022	75.0%	Not set	 No Target

Progress on our deliverables and key measures

Continued to deliver the ongoing Covid-19 response and recovery in relation to health protection, alongside wider partnership action to tackle health inequalities

Rating: Good

Expected completion date: 31 Mar 2023

Overall, during Quarter 2 Office for National Statistics (ONS) Infection Survey estimates show that the percentage of people testing positive decreased. However, the latest data shows that at the end of September there was a small increase in those testing positive for Covid-19. The data will also reflect changes in care home testing.

Public Health continues to support Derbyshire's population in line with the National 'Living with Covid-19' plan. This includes:

- Outbreak response in higher-risk settings for example care settings;
- Promotion of safer behaviours to reduce risk of transmission;
- Providing support to those communities that continue to be most impacted by Covid-19 and those most vulnerable to infection;
- Reducing inequalities in uptake of Covid-19 vaccination in partnership with the NHS vaccination programme;
- Maintaining local capacity and capability.

Planning for Autumn/Winter started in Quarter 2 to ensure the most vulnerable communities could be protected from an increase in Covid-19 infections.

✔ Worked with partners to promote positive mental wellbeing and improve support for local people, with a particular focus on young people at both school and in the community

Rating: Good

Expected completion date: 30 Sep 2023

World Suicide Prevention Day was marked on 10 September 2022. To support the day several football clubs held awareness raising activities at football matches including Chesterfield FC, Alfreton Town, Belper Town, Matlock Town and Sheffield FC.

Throughout Quarter 2 we have attended a range of festivals including Chesterfield Pride, Belper Pride, Langwith Show, Ashover Show and Y Not festival to raise awareness on mental health and suicide.

On the 4 July we launched the 'Let's Chat Derbyshire' sign campaign where over 500 signs have been added to benches across Derbyshire with the aim of encouraging conversations and providing information around Mental Health support and isolation. We have commissioned Tony Fisher, a local and professional photographer, to capture pictures of the benches and them being used, from this we will be creating an exhibition across the winter to support in bringing the campaign indoors.

During Quarter 2 the re-procurement of the mental health and suicide prevention outreach project was completed, this will be rolled out during Quarter 3. In addition, the Mentell project contract has been extended which provides the opportunity for men to talk in a safe and confidential space.

Following a pilot in Chesterfield, Erewash and High Peak the 'Snapp It' project has been approved to deliver a 1-year mental health engagement project, starting in September 2022, to young people across 50 Derbyshire schools/colleges, using bespoke devices that provide mental health information and signposting support.

The suicide prevention strategy was completed and approved by the Suicide Partnership and Mental Health Board.

The Living Well Programme is being rolled out across localities in Derbyshire and a new section on the Derby and Derbyshire Emotional Health and Wellbeing website has been developed to explain more about this programme of work which supports people to live well in local communities. It is a partnership project between the Council, Derby City Council and the NHS.

✔ Worked with District and Borough Councils and other partners to identify an average of three new sites each year that will increase the amount of age-appropriate accommodation and support for older people

Rating: Good

Expected completion date: 31 Mar 2035

During Quarter 2, the Market Position Statement for Older People's Accommodation and Support 2022-23 has been approved and published. Data detailing current housing/accommodation provision and use is being sourced and collated from a variety of sources and several methods for calculating projected need for housing and tenure type are being investigated. Granular ward-level accommodation detail is being established, allowing for more geographically nuanced projected need. We are awaiting release of census data regarding Housing (Dec 22), Health and Disability (Jan 23), regional and local population projections (Summer 23). The proposed timeline for the refresh of the accommodation strategy involves gathering data throughout the autumn, utilising the 2021 census data (when it is released), and producing a first draft of the merged Older and Working Age Adults Accommodation Strategy by February/March 2023.

Current accommodation provision has been geographically mapped which includes nursing and residential care; home care; extra care; sheltered housing; supported housing; day services and community care. The interactive mapping portal also details pipeline provision, hospital and GP surgeries, and has layers detailing deprivation levels, age 'heat maps', urban/ rural splits and Council assets splits. A software update (anticipated by the end of

2022) will allow us to share the mapping portal with external partners such as the Integrated Care Service, District and Borough Councils, and developers.

We continue to work in partnership with District and Borough colleagues and current planning applications in the pipeline include a retirement village at Drakelow; a nursing scheme at Tipton Waterside; residential and extra care scheme at Mastin Moor; 26 units for over 55s at Wingerworth and an extra care or residential care scheme at Boulton Moor.

We are in the process of commissioning Concertus Ltd (CDL) to undertake options appraisals for the 7 recently vacated Homes for Older People sites. Development of options and risk assessments will consider how the asset is best utilised in terms of delivering against the Accommodation Strategy's priorities. CDL are also undertaking an informal soft-market testing exercise to gauge developer interest in delivering extra care provision at Bennerley Fields; we are awaiting the results of this before any decision is made to go out to tender. Adult Social Care Commissioning function have also identified their interest in the Council owned site adjacent to Ada Belfield; a pre-planning application for an older adults scheme has been submitted to Amber Valley Planning, and engagement with the local community has taken place.

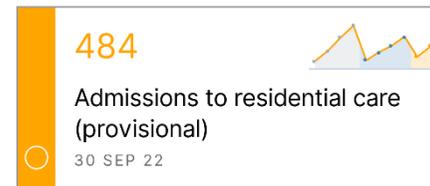
Finalised the new ways of working with older people and people with a disability to increase their independence so that they remain part of their local communities

Rating: Review Expected completion date: 31 Mar 2025

During Quarter 2 the Better Lives programme of work has been reconfigured into the 'Best Life Derbyshire' programme of work. The new Adult Social Care Strategy 'Best Life Derbyshire' is currently undergoing engagement with key stakeholders. The programme now includes the following workstreams: developing the right support in the community; Direct Care moving forwards; building the right support; thriving communities and community led support and integration with Health through Team Up. The lack of available home care continues to impact on the Adult Social Care offer for older people however mitigations are now in place and alternative workstreams are being developed to improve the homecare situation. Due to the above, the short-term service have supported 1,416 people so far this year against a target of 1,794. People admitted to long term permanent residential care is 484 so far this year against a target of 466.



2021-2022	2,911
2022-2023	1,416
Target	1,794
Performance	Action



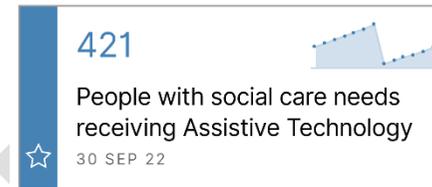
2020-2021	956
2021-2022	711
2022-2023	484
Target	466
Performance	Review

★ Commissioned and procured a new assistive technology service offer to support people with social care needs to live independently in the community

Rating: Strong

Expected completion date: 31 Mar 2025

There has been a delay in taking the consultation response on proposed changes to eligibility criteria for the new assistive technology service back to Cabinet due to an error on the client data used, which was discovered shortly before a report went to Scrutiny committee, meaning that a number of community alarm only clients were not consulted in the first instance. As a result, the Council is currently undertaking a further targeted consultation with this specific group of clients in order to allow them the opportunity to express their views on changes to the service and a report will be taken to Cabinet in March 2023. Preparatory work is commencing, however, to begin soft market testing as soon as possible in order to ensure the delivery of a new service before contracts end in October 2023. Quarter 2 saw 215 new referrals, a similar figure to Quarter 1. Whilst there have been some delays with installation due to staffing difficulties with Medequip, the installer, this is largely resolved, and installations are occurring to schedule. The contract held by the Council for Brain in Hand (BiH) will come to its natural end on 31st October 2022, however, users of the service can continue to access ongoing licences through a NHS / BiH sponsored project which is open to self-referrals. Brain in Hand provides digital self-management technology via a mobile phone, which, combined with human support, helps people live more independently.



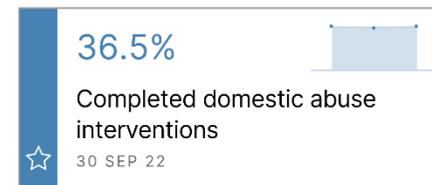
2021-2022	900
2022-2023	421
Target	300
Performance	★ Strong

✔ Developed a holistic Domestic Abuse Strategy and supporting Delivery and Commissioning Plan including addressing issues in relation to violence against women and girls and the new legislative requirements for children and young people

Rating: Good

Expected completion date: 31 Mar 2023

The framework and timetable for developing the holistic Domestic and Sexual Abuse Strategy with our partners was agreed at the Domestic and Sexual Abuse Partnership Board and a draft was taken to the Board in October 2022. Further contributions are now being sought and it is proposed that a final draft will be approved at the Board meeting in January 2023. This will include ensuring the new legislative requirements are met. A Derby and Derbyshire Violence Against Women and Girls Strategy has been approved and launched and the first meeting of the new Board was held in September 2022.



2022-2023	36.5%
Target	29.0%
Performance	★ Strong

In the 12 months to the end of September, 36.5% of specialist domestic abuse interventions continued to completion, against a target of 29%.

✔ Helped and empowered more young people with disabilities to be independent in their transition to adulthood

Rating: Good

Expected completion date: 31 Mar 2025

The co-produced Preparation for Adult (PFA) strategy and action plan are now in place and have been positive in developing our ability to empower children and young people. The next stage of delivery is linked to the review of the wider special educational needs (SEND) strategy and the re-design

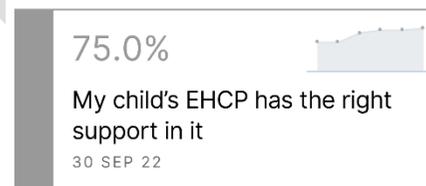
and re-modelling of the operating model for the services that touch SEND. This work is moving forward with timelines and actions to be agreed by the end of October 2022. This next phase of activity will build on the PFA work already undertaken and delivered.

✔ Strengthened the way we work in partnership with children and young people with special educational needs and disabilities and their families, and implemented a new local area strategy to assure the quality of the services and support they receive

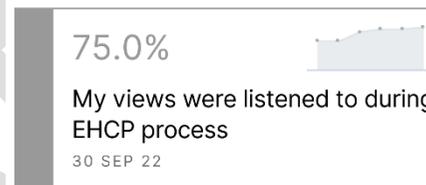
Rating: Good

Expected completion date: 31 Mar 2023

The special educational needs (SEND) strategy, SEND Board, and communication with our schools and health partners is being reviewed. The current SEND strategy runs until 2023. The revised strategy will incorporate a further strengthening of the co-production activities especially with schools. Work with parents and carers has started and good progress has been made. It now needs energy and time to fully implement and embed. The new strategy will focus heavily on co-production, aligned operational delivery with families and schools and will link with the council plan and the children's service plan. The re-design and re-modelling of the operating model for the services that touch SEND is now moving forward and timelines will be set by the end of October 2022 to support a new strategy and better contact with families, schools and partners.



2022-2023	75.0%
Target	Not set



2022-2023	75.0%
Target	Not set

A comprehensive quality assurance framework is in place including the quality control multi-agency moderation of education, health and care plans, alongside deep-dive quality assurance and practice learning days. Quality assurance activity is overseen by a multi-agency board and reported to the SEND board. A parental survey was introduced in December 2021 to inform the strategic direction. This year the survey will provide a baseline to monitor and track parental satisfaction going forwards. Currently 75% of parents completing the survey tell us that they feel their child's education, health and care plan (EHCP) has the right support in it and that their views are listened to during the EHCP process. The number of parental responses received is increasing gradually but remains low. Focus continues on encouraging uptake to ensure a robust baseline of parental satisfaction by the end of the year.

A prosperous and green Derbyshire

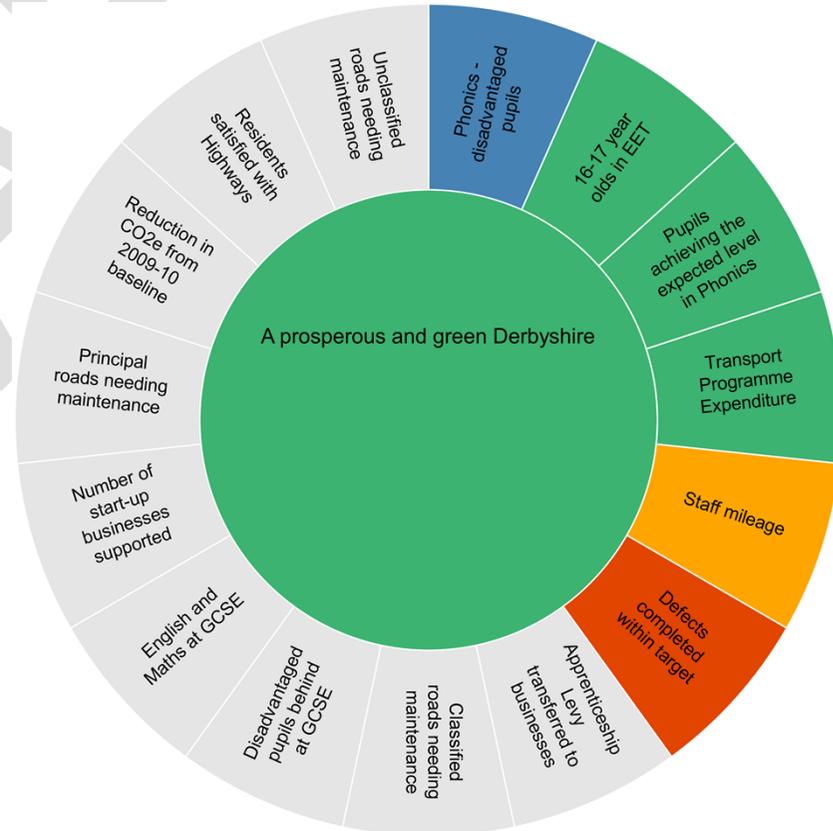
Overview

This priority shows overall “Good” progress for Council Plan deliverables, with 12 deliverables rated as “Good”, 5 deliverables rated as “Requiring Review” and 1 deliverable rated as “Requiring Action”. These are shown graphically in the left-hand wheel below. Overall, the measures for this priority are rated as “Good” based on 6 rated measures. These are shown graphically in the right hand wheel below and listed in the following table.

Deliverable Progress



Key Measures



Key Measure Summary

Key Measure	Date	Actual	Target	Performance
Total amount of expenditure on the delivery of the Local Transport Programme	Sep-2022	£20.000m	£20.000m	 Good (Action in Q1)
Percentage of defects completed within target timescales	Sep-2022	80.4%	90.0%	 Action
Percentage of Principal roads where maintenance should be considered	Dec-2021	15.2%	13.0%	No data for 2022-23
Percentage of Non-principal classified roads where maintenance should be considered	Dec-2021	19.6%	23.0%	No data for 2022-23
Percentage of Unclassified road network where maintenance should be considered	Dec-2021	29.9%	31.0%	No data for 2022-23
Percentage of residents satisfied overall with Highways and Transportation services	Dec-2021	52.0%	57.0%	No data for 2022-23
Percentage reduction in CO2e from 2009-10 baseline	Mar-2022	64.2%	63.0%	No data for 2022-23
Reduction in staff mileage	Aug-2022	4,787,810	4,625,530	 Review
Number of start-up businesses supported	Sep-2022	241	Not set	 No Target
Percentage of 16 to 17 year olds in education, employment or training (3 month avg)	Aug-2022	96.4%	94.6%	 Good
Percentage of pupils achieving a standard pass (grades 4-9) in English and Maths at GCSE	Aug-2021	71.6%	72.2%	No data for 2022-23
Percentage point gap between disadvantaged pupils in Derbyshire and non-disadvantaged pupils achieving a standard pass (grades 4 to 9) in English and Maths at GCSE		No data	Not set	No data
Percentage of pupils achieving the expected level in Phonics	Aug-2022	75.0%	75.0%	 Good
Percentage point gap between disadvantaged pupils in Derbyshire and non-disadvantaged pupils achieving the expected standard in Phonics	Aug-2022	18.7%	20.6%	 Strong
Amount of Apprenticeship Levy transferred to businesses	Sep-2022	£96,719	Not set	 No Target

Progress on our deliverables and key measures

✓ Delivered a £40m Local Transport Programme to provide well managed roads and highways and address road safety concerns

Rating: Good (Review in Q1) Expected completion date: 31 Mar 2023

Total spend to the end of September 2022 is £20m. A total of 137 surface treatment and resurfacing projects have been completed so far, with a target to complete 277 throughout the year. The surface dressing programme for 2022 is complete, having achieved close to £2m in spend. The re-surfacing programme is on target to achieve circa £7m spend in this financial year, with over £2.6m spend having been achieved so far. The footway maintenance programme has achieved a further £1.5m spend, roughly halfway through the target spend for the year.

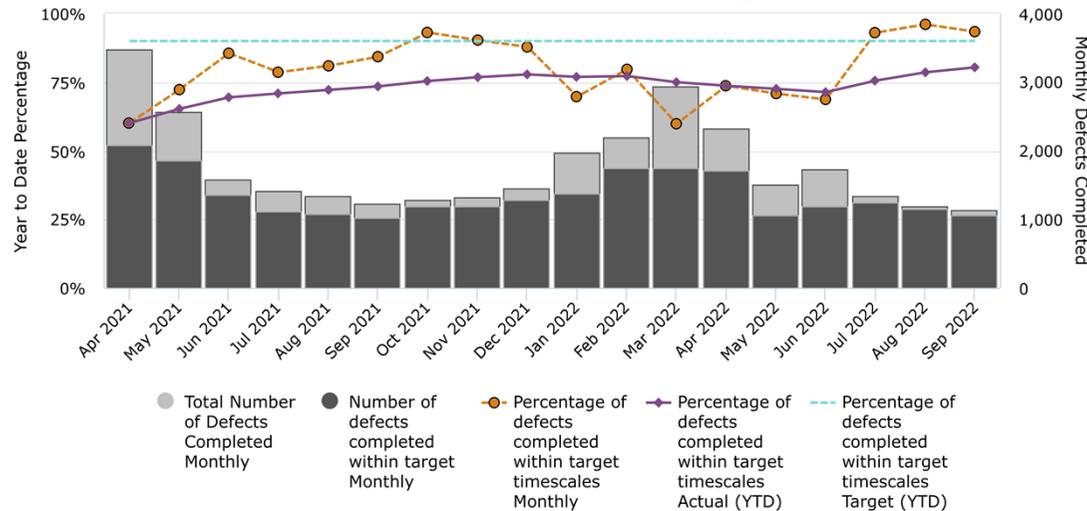
Throughout Quarter 2 3,672 defects were completed, with 94.1% being completed within target timescales. 92.6% of urgent defects were started on time, 90.7% of defects with a 32 hour target completed on time, 84.3% of defects completed within timeframe with a 9 day target and 97.0% of defects with a 28 day target completed within target. So far in 2022-23, 9,252 defects have been completed, with 80.4% being completed within target timescales. This compares to 73.5% at the same point in 2021-22.



2021-2022	£39.674m
2022-2023	£20.000m
Target	£20.000m
Performance	✓ Good (Action in Q1)

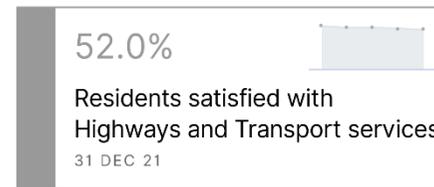
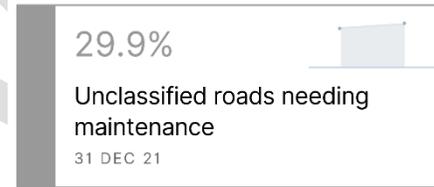
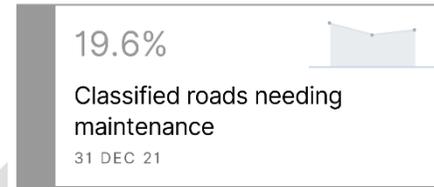
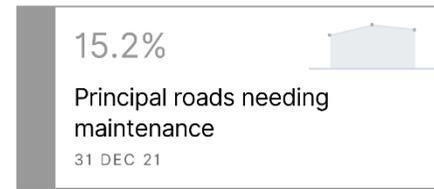
2020-2021	71.0%
2021-2022	75.0%
2022-2023	80.4%
Target	90.0%
Performance	🚩 Action

Defects completed within target



Appendix 3

It is considered that through the implementation of the Local Transport Plan Capital delivery scheme a reduction in defects will be seen throughout the year which should have a positive impact on the amount of defects. This work should be reflected through the Annual Engineers' Inspection survey which will be carried out in the summer and will indicate the percentage of roads requiring maintenance. This data will be available in Quarter 3 together with information on residents' satisfaction levels, from the annual National Highways and Transport public satisfaction survey.



Public

2019-2020	13.0%
2020-2021	17.0%
2021-2022	15.2%
Target 21-22	13.0%
Performance	Action
2022-2023	Due in Q3
Target 22-23	Not set

2019-2020	23.0%
2020-2021	17.0%
2021-2022	19.6%
Target 21-22	23.0%
Performance	Strong
2022-2023	Due in Q3
Target 22-23	Not set

2020-2021	27.0%
2021-2022	29.9%
Target 21-22	31.0%
Performance	Good
2022-2023	Due in Q3
Target 22-23	Not set

2019-2020	55.0%
2020-2021	54.0%
2021-2022	52.0%
Target 21-22	57.0%
Performance	Review
2022-2023	Due in Q3
Target 22-23	Not set



Opened Hollis Lane Link Road Phase 1 in Chesterfield to improve road access

Rating: Review

Expected completion date: 31 Mar 2023

The revised planning application for the link road has been submitted and validated, the outcome of which will be confirmed around the end of the year. Cabinet approval has been granted in principle for additional contingency funding to be made available if required due to potential higher costs caused by economic conditions and subject to agreement with funding partners.

Prepared a countywide response to the Integrated Rail Plan for the Midlands and the North in relation to HS2 to minimise any potential disruption and take full advantage of the economic growth opportunities

Rating: Review (Good in Q1)

Expected completion date: 31 Mar 2023

The HS2 development study regarding HS2 proposals around Chesterfield and Toton is on-going, with an expected completion date of summer 2023. On-going consultation on the electrification of the Midland Mainline through the Derwent Valley Mills World Heritage Site is taking place with both Network Rail and the Department for Transport (DfT). There is still no confirmation from the DfT on the HS2 to Leeds Study Terms of Reference.

Completed Outline Business Case and prepared a planning application to progress the Chesterfield to Staveley Regeneration Route, which will create new homes and jobs for the area

Rating: Action (Review in Q1)

Expected completion date: 30 Jun 2022

The Outline Business Case was completed on time and supplied in draft form to Government. Work continues on preparation of a planning application and also with Government and local partners over project funding. Costs associated with the scheme are still under review.

✓ Reduced carbon emissions from Council property and vehicles, street lighting and procurement

Rating: Good

Expected completion date: 31 Mar 2032

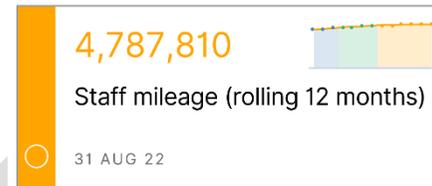
Provisional total emissions for 2021/22 were 15,399 tCO₂e, which is a 64% reduction since 2009/10 and a reduction of 3% from the previous year. Provisional emissions from property were 8,882 tCO₂e, a reduction of 3% since last year and below the target set of 11,151 tCO₂e. Emissions from streetlighting were 2,774 tCO₂e, a reduction of 24% since last year and well below the target of 3,333 tCO₂e. Improved data collection indicates that a further 296 tCO₂e were produced from traffic lights. This figure will be incorporated into streetlighting figures moving forward. Emissions from core fleet were 2,140 tCO₂e, an increase of 6% from the previous year and exceeding the target due to more accurate data collection methods and a return to pre-Covid working practices. Emissions from grey fleet were 1,307 tCO₂e, a 32% increase from the previous year and exceeding the target set (1,269 tCO₂e), due to a return to pre-Covid working practices. However, this is still a decrease of 47% since 2019-20 (pre-Covid). Grey fleet mileage continues to rise, with a total of 4,755,618 miles being driven in the 12 months to August 2022, against a target of 4,625,530 miles. This equates to emissions of 1,312 tCO₂e.

Work is being undertaken to understand how the Council can work with schools to achieve net zero and set an appropriate target. The Council is on track to baseline and set a net zero target for Scope 3 emissions by 2023, as set out in the Climate Change Strategy. These emissions are indirect emissions arising from activities outside of our own operations, for example purchased goods and services.

Council and Departmental annual emissions reduction targets have been established and approved.

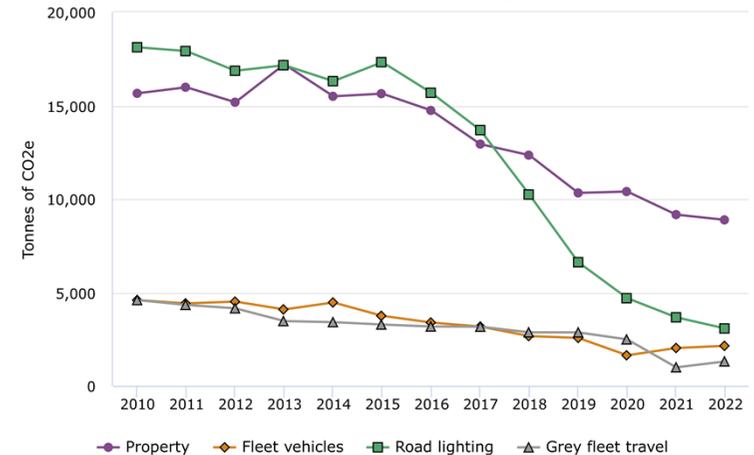


2019-2020	55.3%
2020-2021	63.1%
2021-2022	64.2%
Target 21-22	63.0%
Performance	✓ Good
Target 22-23	68.5%



2020-2021	3,584,868
2021-2022	4,735,687
2022-2023	4,787,810
Target	4,625,530
Performance	⊙ Review

Breakdown of CO₂e emissions by main sources



✔ **Reduced the level of flood risk to the residents and businesses of Derbyshire through our planning role, the delivery of flood mitigation schemes and working with communities to develop flood resilience measures**

Rating: Good

Expected completion date: 31 Mar 2023

The Renishaw Property Flood Resilience (PFR) scheme is now complete, providing flood protection to 13 properties. Work is still progressing on the Local Flood Risk Management Strategy review and is still on track for submission to Cabinet for approval next year. The Department for Food, Environment and Rural Affairs PFR grant scheme has now ended, and over 80 properties have benefitted, in receiving monies to improve the Flood resilience of their properties (£400k in total).

✔ **Delivered the Climate Change Strategy and Action Plan which sets out priorities to reduce the county's carbon emissions**

Rating: Good

Expected completion date: 31 Mar 2025

The Council's Climate Change Strategy was approved by Cabinet in October 2021 and is now one year into its implementation and monitoring. Of the 32 priority actions in the Strategy, 16 (50%) have been allocated a Good rating, meaning that they are on track or complete with outcomes in line with expectations. 15 priority actions (47%) have been allocated a Review rating, meaning that there is some risk to achieving timetable and/or outcomes and appropriate steps are being taken to bring these actions back on track. One priority action (3%) has been allocated an Action rating, meaning that, at present, it is unlikely to achieve timetable and/or to deliver required outcome. This action falls under the Council Operations and Estate theme and relates to the Council's delivery of projects through the Salix-funded Public Sector Decarbonisation Fund. Steps are being taken to assess opportunities for improvement in this area.

The Vision Derbyshire Climate Change Strategy was approved by Cabinet and the Vision Derbyshire Joint Committee in April 2022. Through the Vision Derbyshire Climate Change Officers Working Group an Action Plan has been developed to inform and manage the delivery of collaborative projects to 2025, which will contribute to a reduction in county-wide emissions. The Council is also working closely with the district and borough councils to engage with communities to co-design and co-deliver an approach to decarbonising the county's housing stock.

✔ **Developed the Natural Capital Strategy, identifying areas where the natural environment can be further enhanced whilst also supporting the green economy**

Rating: Good (Strong in Q1)

Expected completion date: 31 Dec 2022

The consultants producing the Derbyshire Natural Capital Strategy have submitted their final draft and it is currently being reviewed by Officers. The key findings of which will be reported in Quarter 3. The strategy will support with the preparation and delivery of the Derbyshire Local Nature Strategy which will be developed in 2023.

✓ Explored initiatives to tackle climate change including low carbon local energy generation

Rating: Good (Review in Q1) Expected completion date: 31 Mar 2023

Renewable Energy Study:

The 'Derbyshire Renewable Energy Study' examines the potential renewable energy resource available in the county, including Derby City and the whole of the National Park area (including those parts outside the county). It identifies the barriers to, and constraints on, development of the resource. It provides analysis of the total energy resource that could theoretically be developed and its geographical distribution by technology. The study is accompanied by layered mapping providing a visual aid to the distribution of the resource and the extent of the areas of constraint. The study will assist in development management decision making and development plan preparation.

Climate Change Planning Guidance and Assessment Tool:

The Climate Change Planning Guide and associated assessment tool is nearing publication stage. The guide aims to assist in development management decision making and in development plan preparation. The guide provides an evidence base for plan preparation, describing the international, national and local policy context, the background to the science behind and evidence of climate change and a list of design measures and features that may be incorporated into development which contribute to climate change mitigation, adaptation and resilience. Each measure is accompanied by a rationale for its inclusion. The assessment tool scores development proposals based on the degree to which measures are included that contribute to mitigation, adaptation or resilience based on their potential contribution.

Minerals Local Plan Draft:

Local plans are required by law to include policies designed to ensure that the development and use of land contributes to the mitigation of, and adaptation to, climate change. National planning policy requires that local plans adopt a proactive approach to mitigating and adapting to climate change, taking into account the long-term implications of flood risk, water supply, biodiversity and landscapes and the risk of overheating from rising temperatures. The emerging Minerals Local Plan includes a Climate Change chapter and related policies in addition to policies addressing hydrocarbon exploration and development. The plan taken as a whole, and in particular the climate change chapter, seeks to ensure that mitigation adaptation and resilience measures are included in all mineral related developments, including those associated with exploration and mining of hydrocarbons.

✓ Developed and delivered a strategic approach to sustainable travel and transport across the county, including the promotion of cycling and walking

Rating: Good Expected completion date: 31 Mar 2023

The Council is continuing to investigate and develop the top priority sections of our proposed Key Cycle Network which will provide high quality routes for walking, cycling and horse riding wherever possible. This involves extensive partnership working with a range of key stakeholders and community/user groups which include: National Highways, District/Borough Councils, Sustrans, Canal and River Trust, Natural England/ Pennine National Trails Partnership, Buxton Town Team and the Derwent Valley Trust. Feasibility work is underway for the full length of the Derwent Valley Cycle Route between Shardlow and Hathersage, along with missing sections of the White Peak Loop and Pennine Bridleway National Trail. Schemes are being progressed to planning for the Little Eaton Branch Line along with the cross-boundary section of the Derwent Valley Cycle route between Darley Abbey and Little Eaton, which is being funded and project managed by National Highways with input from the Council and Derby City Council. A community engagement event for the Little Eaton Branch Line was held on 28 September 2022 with an on-line public consultation underway until 26 October 2022.

Progress is also underway relating to Electric Vehicle (EV) charging points. The delivery of the initial phase of work by Jacobs consultants was to reflect the Government's committed targets for low emission vehicles which has resulted in growing public discourse on greener technology adoption alongside the leveraging of huge investment by vehicle manufacturers to rapidly increase deployment of vehicles over the coming years. The outputs from the Derbyshire EV strategy provide clear direction on the steps needed to be taken by the Council to establish a base charging network in the immediate term while also creating the investment framework to ensure that charging infrastructure is rolled out flexibly and at the required pace to meet local demand. A series of priority charging locations have been identified and agreed with partners as areas for immediate investment. These priority charging locations reflect local challenges and circumstances such as the likelihood for charging demand on the basis of electric vehicle uptake as well as the lack of access to off-street residential or business parking.

This next phase of work is primarily focused on the implementation of the EV charging strategy recommendations and outputs. Throughout July, the Council in collaboration with Jacobs have been delivering a series of engagement events with district councils and other key local partners to establish a preferred way forward for the creation of an EV charging delivery model. Although these sessions are ongoing, the overwhelming view of stakeholders to date have centred on the need to establish a process that will accelerate this infrastructure deployment and create an environment to facilitate the transition of private, fleet, and public transport vehicles. A critical component of this accelerated deployment centres around the need for the Council to work with partners to create and facilitate a single commercial and operating model that will attract the necessary third-party investment required to deliver the objectives of the long-term electric vehicle charging strategy.

Following a number of recent discussions between Council officers and Jacobs, a programme has been developed to provide technical assistance in the procurement of an operator(s) and work on this is just about to begin.

Agreed and implemented the Covid-19 Economic Recovery Strategy to drive good growth and maximise low carbon economic opportunities

Rating: Good (Strong in Q1)

Original completion date: 30 Jun 2022

Expected completion date: 31 Mar 2023

The Covid-19 Economic Recovery Strategy is near completion. The associated Board, given the completion of the recovery plan, has agreed to undertake a review of the Board's future remit considering the growth remit of both the Derbyshire Economic Partnership and the Combined County Authority.

Continued progress is being made working with Districts through the Economic Development Workstream Group on growth and low carbon initiatives. The Green Entrepreneur Fund (GEF) Board and the Council are considering as part of the GEF programme small grants that will enable small businesses to plan and commence the decarbonising of operations, ultimately working towards a zero-carbon future.

Rolled out the Green Entrepreneurs scheme, a £2m grant fund to help local business to develop and invest in green energy and carbon reduction

Rating: Review

Expected completion date: 31 Mar 2023

£609,714 has been awarded on Strand 1 of the fund to four projects, three are live, one is in due diligence (large scale demonstrator fund) with another full application is currently being assessed.

£30,705 has been awarded to 28 individuals on Strand 3 (scholarship funding).

Take up of the small grants for businesses (Strand 2) was slower than anticipated - predominantly due to the current market conditions and rising inflation costs which seems to be affecting business confidence. Currently, £94,298 has been awarded to six small businesses as a grant and there are two more awaiting a confirmation of funding decision from the Board (£40,000). There are ten proposals that have been invited to submit a full application for a small grant where the organisation is working up their submission to a total of £162,419.

Although progress is being made on the programme there is a lack of green entrepreneurial businesses coming forward. We are working with the University of Derby to intensify networking opportunities to engage further with businesses and raise the awareness of the Green Entrepreneur Fund.

✔ Increased take-up of fibre enabled broadband across Derbyshire, particularly in rural areas, to improve access, speed and reliability for homes and businesses

Rating: Good (Review in Q1) Expected completion date: 31 Mar 2025

The Gigabit Voucher scheme has supported 30 community projects, facilitating up to 1,547 premises to receive a Gigabit capable broadband service. The cost of "Top Up" to the Council to date is £328,710. This scheme is now paused until a new scheme is launched.

Project Gigabit is nearing the final design stage for Derbyshire and procurement is expected to commence in November 2022. We anticipate that around 55,000 premises across the county will benefit from Project Gigabit intervention. Delivery is expected to commence in December 2023.

A number of independent Alternative Network companies have started delivering Gigabit capable broadband services in Derbyshire. These include Netomnia, Full Fibre Ltd and Gigaclear. These are predominantly in more heavily populated areas but is a positive step in increasing the fibre footprint across the County. This is in addition to the upgrade activity being undertaken commercially (without state subsidy intervention) by Openreach and Virgin Media O2.

The latest data from Think Broadband suggests that 97.2% of premises across the county can access a Superfast broadband service (>30Mbps) and 45.09% of premises can access a Gigabit capable service. Currently 0.95% of premises only have access to a broadband service below 10Mbps (around 3,600 premises). These premises are captured in the Intervention Area design for Project Gigabit.

The Digital Derbyshire Team will continue to work with the Department for Culture, Media and Sport and telecoms suppliers to maximise the positive outcomes for Derbyshire. Weekly meetings are in place to achieve this and progress remains in line with expectations.

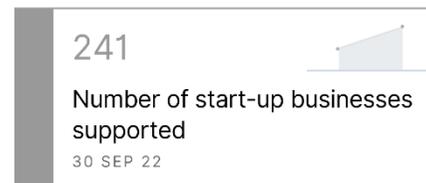
✔ Delivered the “Invest in Derbyshire” plan to increase levels of inward investment into the county

Rating: Good Expected completion date: 31 May 2023

In Quarter 2, numbers of enquiries from businesses looking to invest in Derbyshire have dropped slightly. Key sectors continue to be manufacturing and engineering, with a rise in energy-related and green-tech enquiries.

Inflation, rising costs of materials/fuel and general economic uncertainties are all impacting on domestic and foreign direct investment markets and therefore some investment decisions are being currently paused.

The Invest in Derbyshire project enjoys a strong delivery with outputs in all categories meeting targets at the level of 90% and above.



2022-2023	241
Target	Not set

Worked with partners through the Vision Derbyshire approach to develop a countywide approach to improve social mobility, targeting underperforming areas across the county

Rating: Review (Good in Q1) Expected completion date: 31 Mar 2023

Initial groundwork to identify the issues and priorities for social mobility was undertaken during 2021-22, although limited due to a lack of capacity across the partnership landscape. Good foundations have been built to support a wider understanding of social mobility issues across the region primarily through the inclusion of social mobility as a key issue within the Derby, Derbyshire, Nottingham and Nottinghamshire County Deal. The linkages across to priorities outlined in the Government's Levelling Up agenda over the coming year will be critical in understanding the scale of the challenge and breadth of work required. Progress in developing the scope and delivery programme for this area of work has however been limited due to difficulties in recruiting the programme team. Work is taking place to review current hosting arrangements for the programme team alongside a light touch review of the Vision Derbyshire approach which will consider the resourcing of the approach and recruitment to the vacant posts.

DRAFT

✔ Worked with schools and other education providers to implement new strategies and support, to enable children and young people to achieve their educational potential and begin to catch up on learning they have missed due to Covid-19 restrictions

Rating: Good

Expected completion date: 30 Jun 2023

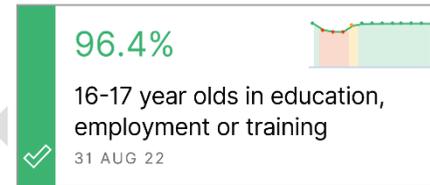
The Education Improvement Service has continued to work robustly with schools throughout the quarter to improve outcomes for children and young people and support catch-up on learning. Activities have included:

- Showcasing the work of partner agencies such as the Education Endowment Foundation, Teaching School Hubs, English Hubs and Maths Hubs at the termly meetings for headteachers and teachers;
- Recruiting new schools and settings to join the Derbyshire Levelling Up programmes regarding Confident Communicators and Readers;
- Working with partner agencies to create a 'one-stop shop' to support Continuous Professional Development for school staff. This work is in its early stages.

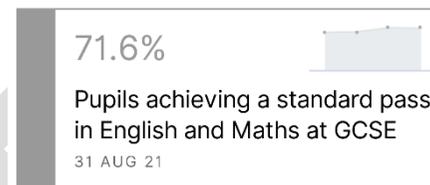
A key area to support schools with is that of pupil attendance. This is a national issue and we will work with partner agencies and colleagues in the Council to promote good attendance as this is essential to support children and young people to catch up on learning. The Education Improvement Service will continue to support and implement the strategies which underpin the White Paper in raising outcomes for all pupils.

Key stage attainment outcomes for 2022 will be available at various points throughout the year. Due to the pandemic, most 2020 and 2021 attainment tests were either cancelled or assessed in a different way and will therefore not be comparable to 2022 outcomes. Targets this year predominantly relate to comparator performance and therefore will not be confirmed until comparator outcomes are published. Provisional 2021-22 data for the percentage of pupils reaching the required standard in Phonics (75%) suggest that Derbyshire's performance is in line with the national average with performance within the lower middle national quartile, an improvement from bottom quartile in 2019. Derbyshire's provisional outcome is also above the average for East Midlands and above the average of our statistical neighbour benchmarking group. Provisional data also suggests that the gap between disadvantaged Derbyshire pupils achieving the expected standard in phonics and non-disadvantaged pupils (18.7%) has narrowed compared to 2019.

The percentage of 16 to 17 year olds in education, employment or training for the 3 months of June, July and August 2022 is 96.4%. This is better than the same time last year (95.8%) and is higher than both the national figure (90.5%) and the outcome for East Midlands (86.8%). Current performance maintains Derbyshire within the top quartile nationally which is the target for this year.



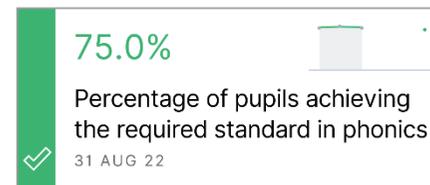
2021-2022	96.5%
2022-2023	96.4%
Target	94.6%
Performance	✔ Good
National Benchmark	92.9%



2021-2022	71.6%
2022-2023	Due in Q3
Target	Not set
National Benchmark	67.1%



2022-2023	Due in Q3
Target	Not set

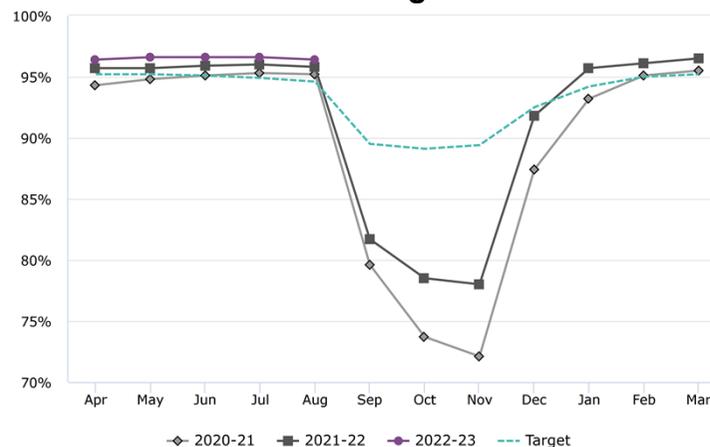


2019-2020	80.0%
2022-2023	75.0%
Target	75.0%
Performance	✔ Good



2019-2020	20.6%
2022-2023	18.7%
Target	20.6%
Performance	★ Strong

16-17 year olds in education, employment or training



Page 139

✔ Worked with Derbyshire businesses to support the creation of apprenticeship opportunities in key economic sectors, connecting people to local job opportunities

Rating: Good

Expected completion date: 31 Mar 2023

The transfer of the apprenticeship levy proceeds to be on target with a further 13 apprentices supported this quarter, supporting a further 5 businesses. The amount of levy transfer committed in Quarter 2 is £42,151 putting the total levy so far at £96,719. Throughout Quarter 1 and Quarter 2 a total of 24 Apprentices have been supported with the Apprentice levy supporting a total of 10 businesses. The sectors where Apprentices are supported throughout Quarter 1 and Quarter 2 are Construction, with a total of 2 Apprentices, Early years with 4, Hospitality have 2 and Health and Social care being the largest area with a total of 16 apprentices at the end of Quarter 2.

£96,719

Apprenticeship Levy transferred to businesses

30 SEP 22

2022-2023	£96,719
Target	Not set

The target for this deliverable continues to be discussed and in future will look to indicate the percentage of Levy spent per quarter.

 **Mobilised the Derbyshire Cultural Framework and reviewed and developed a costed action plan for the Derwent Valley Mills World Heritage Site**

Rating: Review (Action in Q1) Expected completion date: 31 Mar 2023

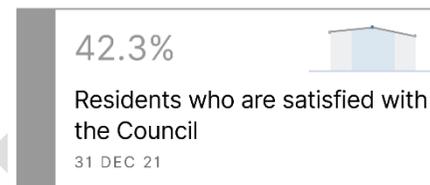
The Derbyshire Cultural Framework has been approved by Cabinet and so the associated project plan is now to be implemented. Although there was a delay in the approval of the framework the project is now on track and rated as "Good" to deliver a series of projects to support specific cultural activities across Derbyshire.

Derwent Valley Mills World Heritage Site Development Framework: An outline prospectus has been produced for the framework and it is the intention to present this to all local planning authorities in the World Heritage Site in the next calendar year. As this is yet to be presented a "Review" rating has been allocated to this part of the deliverable.

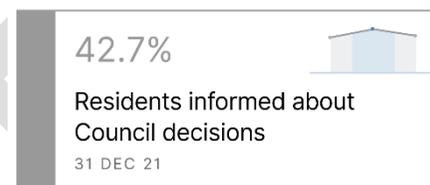
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Overarching Measures

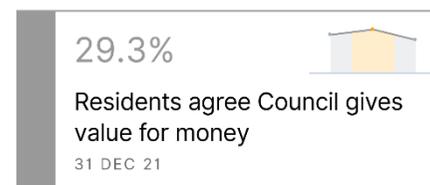
The three overarching measures provide an overview of residents' perception of the Council and are taken from the questions asked in the Council's annual Your Council Your Voice residents survey. Work continues to take place across the Council to improve residents' satisfaction, better engage residents in decision making and to deliver value for money. An action plan to proactively address the issues raised from the survey has been developed and is being implemented. Key actions are to develop a customer experience strategy and a new consultation and engagement/resident voice strategy. The next residents' survey commences in October 2022 and key findings will be available to support service and budget planning from late November 2022.



2019-2020	48.1%
2020-2021	53.4%
2021-2022	42.3%
Target 21-22	58.0%
Performance	Action
2022-2023	Due in Q3
Target 22-23	58.0%
National Benchmark	56.0%



2019-2020	40.8%
2020-2021	50.5%
2021-2022	42.7%
Target 21-22	52.0%
Performance	Action
2022-2023	Due in Q3
Target 22-23	52.0%



2019-2020	34.0%
2020-2021	38.9%
2021-2022	29.3%
Target 21-22	43.0%
Performance	Action
2022-2023	Due in Q3
Target 22-23	43.0%
National Benchmark	43.0%



Notes

This report set out progress on deliverables and key measures as outlined in the Council Plan 2022-25. The following table lists the deliverables and measures not included in this report, or where changes have been made:

Deliverables	Reporting
Completed the viability assessment to progress the Chesterfield to Staveley Regeneration Route, which will create new homes and jobs for the area	As the viability assessment has now been completed, this deliverable has been updated to “Completed Outline Business Case and prepared a planning application to progress the Chesterfield to Staveley Regeneration Route, which will create new homes and jobs for the area”.
Measures	Reporting
Percentage of successful completions as a proportion of all in treatment for substance misuse	Confirmed data for this measure is currently not available in time to be included in the relevant quarterly report. However this will be reviewed for future reporting.
Measures indicating the effectiveness of the Council’s new Equality, Diversity and Inclusion Strategy 2022-2025	These measures are to be confirmed and it is intended that they will be included in subsequent reports.
New national inspection measures for adult social care	Following national review, the Adult Social Care Outcomes Framework measures have now been confirmed and are being implemented.
Percentage of children achieving a good level of development at the Early Years Foundation Stage	This measure has not been reported since 2019.
Percentage of completed specialist Domestic Violence interventions with a goal fully met	These measures were proposed as part of developments to this area of work. Following the review of this work the measure on intervention goals have not been taken forwards as a performance measure.
Number of properties classed as hard to reach (post Contract 2) that are fibre enabled.	This broadband measure is not reported as it is currently under review in order to develop a more suitable Key Performance Indicator.

Key

	Deliverables	Measures
	Strong – performing strongly	Strong – more than 5% better than target (2% better than target if the target is greater than 95%).
	Good – performing well	Good
	Review – will be kept under review to ensure performance is brought back on track	Review – more than 2% worse than target.
	Action – additional action will be/is being taken to bring performance back on track	Action – more than 10% worse than target.
	No commentary has been received	Data not available/Target not set.

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Agenda Item

FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

31 January 2023

Report of the Director of Finance & ICT

Capital budget monitoring and forecast as at Quarter 2 2022-23
(Corporate Services and Budget)

1. Purpose

- 1.1 To inform Audit Committee of the latest Capital budget monitoring position as at 30 September 2022.

2. Information and Analysis

- 2.1 The report includes Cabinet approved schemes that have been active during this financial year, including schemes closed in year. Each scheme has a nominated budget holder who is responsible for ensuring the scheme stays within budget, and who provides the projected spend figures. The schemes have been approved over several previous years in addition to the current year.
- 2.2 The 2022-23 capital programme is £101.896m, approved adjustments to this figure reduced this to £94.595m. The budget for schemes being monitored this year total £614.106m, of these, £605.105m are currently open schemes. There is a forecast underspend of £7.937m over the life of these projects (see Appendix 2).
- 2.3 Project managers actively review the timing of scheme expenditure to reflect circumstances. This is important for financial planning. The analysis below compares future years spend in this report with the position reported at Q1. It shows there has been an increase in the expenditure planned into future years of £9.236m. This is spread over

many projects and often happens as the realities of a new project crystallise.

	Spend in 2023-24	Spend in 2024-25	Spend in 2025-26	Total
	£m	£m	£m	£m
Q2 forecast	49.837	8.945	0.536	59.318
Q1 forecast	44.125	5.290	0.667	50.082
Increase / (decrease) in expenditure	5.712	3.655	(0.131)	9.236

This is analysed over the Departments as follows:

	Spend in 2023- 24	Spend in 2024- 25	Spend in 2025- 26	Total
	£m	£m	£m	£m
Adult Social Care & Health	0.194	0.000	0.000	0.194
Children's Services	0.353	0.500	0.000	0.853
Corporate Services and Transformation	0.538	0.000	0.000	0.538
Place	4.627	3.155	(0.131)	7.651
Total	5.712	3.655	(0.131)	9.236

2.4 Adult Social Care & Health - projected underspend of £2.129m

Adult Care has a budget of £94.538m comprised of 59 schemes. Five schemes account for 76% of the budget These are summarised in the table and narrative below.

Major Schemes	£m
Disabled Adaptations 2019 - 2022	20.583
Belper Integrated Specialist Facilities Centre	15.613
Bennerley Avenue – Care Home	15.000
Darley Dale Specialist Community Care Centre	10.520
Hearon Specialist Community Care Centre	9.750

Disabled Adaptations

The Disabled Adaptations schemes are the currently open programmes which relate to aids and adaptations installed in resident's own homes so they may remain as independent as possible. They will be fully

financed from borrowing together with contributions from clients and district councils. Currently the spend for 2022-23 is in line with the budget. For previous years there is an underspend of budget of £1.141m due to reduced activity caused mainly by Covid 19. With approval, the intention is to use this underspend to fund the replacement of existing Telecare equipment in 2023-24. This will avoid requesting new borrowing to fund this.

The Belper Integrated Specialist Facilities Centre

The Belper Centre offers accommodation for up to 40 older persons and includes a library on site. The Care Home opened in June 2020 and the residents from Ada Belfield moved into the new accommodation during September 2020. Asbestos contamination (reported to Cabinet in previous monitoring reports) has been remedied at a cost of approximately £1.500m. Pursuing an asbestos contamination claim is not viable. The overspend has been covered by using underspends from other projects. The overall spend is projected to be £15.613m and the defects period has now expired. The final retention was released in June 2022.

Bennerley Avenue - Care Home

Construction for this commenced in February 2021 with final completion estimated to be Autumn 2023 following the end of the defects period. The home opened in August 2022 and residents moved in during September. The Home replaced the nearby Hazelwood Care Home and has 40 general needs beds. The budget and forecast expenditure are £15.000m. The business case specification is being prepared for phase 2 of the development and potential bidders will be invited to submit expressions of interest on the site.

Specialist Care Centres

These provide care for physically frail, elderly clients with dementia:

- Darley Dale - opened in March 2016 and had issues with its roof and remediation is now complete. This scheme is due for sign off pending the completion of some minor works and retention fees. The Authority is awaiting the final certificate. The retention fees have now been released except for £0.020m to cover off the minor works still outstanding. There have been ongoing issues with roof leaks for which the contractor accepted full responsibility to resolve. They undertook a site visit in October and work commenced in November in relation to the roof repairs for which they were liable. In addition, there is still some snagging that requires attention. The budget is £10.520m and spend to date is £10.419m.

- Heanor - opened in August 2015 and is now complete and the final certificate paid. No further costs are expected with the contractor. A further £0.200m is budgeted in the event of latent defects. The spend is anticipated to be £9.168m with an underspend of £0.582m.

2.5 Children's Services - projected underspend of £1.720m.

This is across multiple projects with no individual significant item.

Children's Services has a budget of £167.401m comprised of 727 schemes. Five schemes account for 23.28% of the budget. These are summarised in the table and narrative below.

Major Schemes	£m
Alfreton Park School Replacement	13.350
Tibshelf New Primary School	7.013
Bramley Vale Primary Replacement	6.425
Highfield Farm School	6.253
Boulton Moor School	5.923

Alfreton Park School

Phase 1 achieved practical completion and hand-over of the new school took place on 4 March 2022. The defects period continues. Phase 2, demolition of the old school building took longer than anticipated due to large amounts of asbestos being found hidden in the (CLASP) structure which was not evident from the surveys. This involved a small additional cost of £0.011m. Other Phase 2 works include landscaping and installation of an adventure playground completed in November 2022.

Tibshelf New Primary School

The feasibility for the new 'Federated' school at Tibshelf has been completed and cost estimates prepared. Children's Services are now considering the feasibility study and further consultation was undertaken in September 2022, which is reported in a separate report to this meeting. Due to the delays, and the anticipated reduction in the capital receipt, the costs have risen significantly and further funding of £6.760m is currently being sought.

Bramley Vale

The project at Bramley Vale Primary School is for the replacement of all the school, except for the Foundation Unit and a single block. Morgan Sindall have been engaged via the SCAPE framework. The most recent cost estimate is significantly over the last cost estimate. Value engineering is being undertaken to reduce project costs. However, approval is being sought for additional funding of £0.891m.

Highfield Farm School

The new build at Highfield Farm School was completed in August 2020. The making good defects certificate has now been issued with no defects outstanding. All works have now been completed in line with budget and the final account settled. The remaining budget outstanding relates to furniture and IT of £0.381m which will be recharged by the Spencer Academy Trust in due course. The remaining budget relates to fee invoices outstanding.

Boulton Moor School

Boulton Moor is funded by S106 contributions. The main project has stalled due to legal agreements being finalised regarding site access. Concertus Derbyshire Limited have been asked to investigate a temporary school option but have not yet been commissioned by Children's Services to undertake this element of additional works. The project has recently been repriced due to the delays and this has resulted in additional costs of over £2.000m. Additional funding is currently being sought.

2.6 Corporate Services and Transformation - projected underspend of £2.151m

Corporate Services and Transformation has a budget of £35.524m comprised of 262 schemes. Five schemes account for 27% of the budget. These are summarised in the table and narrative below.

Major Schemes	£m
Green Deal and Fuel Poverty grant	2.521
SAP S/4 upgrade	2.000
Glossop 3G Pitch and Changing Room	1.714
County Hall - Winter Gardens Refurbishment	1.700
SRM Upgrade & TASK Replacement	1.563

Green Deal and Fuel Poverty Grant

This scheme will potentially assist up to 30 fuel poor Derbyshire residents as part of the Derbyshire Healthy Home Programme. They will comprise of replacement or first-time central heating systems. In some cases, this will assist with hospital discharge. These schemes, follow referrals by Adult Social Care and Health Services and are the ones not fully funded by other grants.

SAP S/4 upgrade

This project which is for a major computer system has been delayed from initial forecasts due to ongoing issues with the ICT infrastructure and staff availability issues. The completion date is planned to be Winter 2023. This delay has caused some extra costs and it is now anticipated that there will be an overspend of £0.043m after all project contingency is used. This will be met by a Revenue Contribution as approved by Cabinet on 15 April 2021.

Glossop 3G Pitch and Changing Room

This development is in partnership with Glossop North End Football Club. It will be at no cost to Derbyshire County Council, with funding coming from other parties including The Football Foundation and High Peak Borough Council. The project was delayed after the need to upgrade the site's electricity infrastructure was identified. The work plan has since been updated and additional funding secured to meet the revised specification and timing. Work has recently commenced on site.

County Hall - Winter Gardens Refurbishment

This scheme was commissioned to Concertus Derbyshire Ltd (CDL) for design. The space cannot currently be used as a function space due to inadequate toilet provision and issues with accessibility. Surveys identified that the costs could be more substantial than budgeted for. The project is currently on hold pending the outcome of a wider review of County Hall.

SRM Upgrade & TASK Replacement

This project was for a major computer system which has now been completed and the project closed. The scheme came in under budget by £0.226m.

2.7 Place - projected underspend of £1.937m.

This is mainly due to projected under spends of £1.461m relating to the LED Invest to Save project plus other less significant over and underspends.

Place has a budget of £316.643m comprised of 99 schemes. This is approximately 52% of the total Capital budget. Six schemes account for 69% of the Place budget. These are summarised in the table and narrative below.

Major Schemes	£m
Local Transport Plan (LTP) 2017-2022	76.253
Markham Vale Employment Zone	41.583
LED Street Lighting	32.100

Pothole and Challenge Fund 2020-2021	30.132
Waste Project, Derby	25.000
Woodville Swadlincote Regeneration Route	12.797

Local Transport Plan

These schemes are managed within the Council's Local Transport Plans and funded from grants provided by the Department for Transport (DfT). All grants are fully utilised, and subject to approval, reallocated to other infrastructure projects. The separate yearly schemes that make up the budget total relate to schemes from 2017- 2022. These schemes totalling £76.253m are forecast to be completed by the end of 2025-26. The forecast underspend of £2.261m will be required for additional pothole schemes undertaken. (See below)

Markham Vale

An amount of £2.333m remains to be spent from the approved capital budget. This will require reviewing against the estimated costs of the remaining works packages that are required to be completed, given the high construction inflationary pressures currently being experienced. On three previously prepared plots and where terms have been agreed with inward investors, two planning applications have been submitted and an application has been approved for an electric vehicle charging station. Subject to securing all planning approvals and other development conditions, capital receipts of approximately £2.300m will be received over the coming 12 to 24 months. Another 0.7-acre development plot has been recently created which will attract a further capital receipt when developed and another 0.6-acre plot is currently being prepared for development.

During the last quarter a capital grant bid has been submitted towards the £0.75m costs of creating a 2km long cycling and walking route to work.

The Staveley Waterside project comprises a phased mixed-use development. The Council have been preparing detailed designs and cost estimates to deliver a Phase 1 development within the budgeted estimate of £3.064m; £2.664m of which has been provisionally secured from the Staveley Town Deal fund with the remaining funding comprising in-kind land value, £0.150m of DCC Reclamation capital already secured, plus contingency of £0.721m funded by capital receipts generated at Markham Vale. It is intended that a planning application will be submitted before the end of 2022.

LED Street Lighting

The LED Invest to Save project is nearing final completion across the county. The majority of these are now part of large whole asset

replacement programmes that are part funded by the Local Transport Plan and funding from the LED Invest to Save project budget to enable the full scope of works to be delivered, realising maximum energy and carbon savings. The scheme so far has proven to be an incredible success with LEDs installed which has reduced the energy liability by 14,500,000kWh (the equivalent of boiling 4.8 million kettles for an hour). If we had not commenced this project the energy liability for the street lighting asset alone (excluding illuminated signs, bus shelters and traffic signals) would be £6.100m per year. It is anticipated that most of the remaining projects will be concluded within this financial year, however due to issues in the steel industry supply chain, some may not be fully concluded until 2023-24. The cost of steel and construction materials continues to rise resulting in additional increased costs of £0.096m estimated since Quarter 1 monitoring. There is an underspend currently forecast of £1.461m. The sharp rise in the cost of electricity means that further investment in LED Street Lighting may yield further savings. A business case is currently being prepared which may result in future capital spend subject to Council decisions.

Pothole and Challenge Funds

A significant programme of surface treatment schemes that can only be carried out in favourable weather have been delivered so far this summer. This continues in addition to a significant programme of resurfacing works which are ongoing and will continue for the next few months. This progress has contributed to the reduction of defects on the highway network and should help prevent future ones occurring during winter months.

The Challenge Fund project to repair retaining walls in the Matlock Bath area is progressing well with ground investigation having been completed on many sites. Issues related to ecology, land ownership and planning issues are progressing well. To ensure the council achieve value for money and confidence in the costs of the works in these volatile times more efforts are being put into the procurement process which has resulted in a delay in the proposed works which are now expected to start in Spring 2023.

These projects with a budget of £30.132m are forecast to spend £32.560m They are on schedule to complete by the end of 2024 with an overspend against budget of £2.428m which relates to additional pothole schemes being undertaken and increased costs due to inflation and supply chain issues. With approval this will be financed mainly by savings from the LTP (£2.261m) and delaying schemes to the 2023 LTP.

Waste Project

The Council and Derby City Council entered into an Inter Authority Agreement (IAA) on 20 August 2014 in relation to the operation and management of a Public Private Partnership contract with Resource Recovery Solutions (Derbyshire) Ltd (RRS) for the construction of the long-term Waste Treatment Facility in Sinfin and provision of associated services. It has been previously reported the contract with RRS was terminated on 2 August 2019. RRS has commenced formal court proceedings against the councils, which will be defended.

Work on the facility to determine its condition and capability is nearing completion. Both authorities approved recommendations in November 2021 to develop business cases for the future of the waste treatment facility. The business cases are progressing and once complete, both councils will reconvene to review and decide how to proceed.

The business cases compare two options:

- To rectify and use the facility and,
- To close the facility and dispose of the councils' waste using a third party.

Woodville-Swadlincote Regeneration Route

The Woodville-Swadlincote Regeneration Route has been developed as a key enabler of regeneration set out in the South Derbyshire Local Plan, bringing former industrial land back into use for both housing and commercial development. It leads directly to provision of 300 homes and an estimated 580 jobs, with significant additional employment anticipated across a wider area but stimulated by this core investment. The route is approximately 1.1km in length and is a combination of new construction and the upgrading of what was a cul-de-sac through an industrial estate. Opening to traffic was achieved in late 2021, with correction of minor design defects and landscaping work continuing into 2022 but now complete. The remaining expenditure of £0.426m is expected by the end of March 2023 and that the project remains within its allocated budget of £12.797m.

Elvaston Castle Masterplan

This Project, while not significant in terms of being one of the highest values within the Capital Programme, is significant in that this is Phase 1, which includes:

- Access drive, car park and roundabout
- New build café
- Regeneration of the lower stable yard, upper stable yard and museum yard
- Infrastructure and access improvements

The design of Phase 1 is in its planning stage, and the construction is expected to commence during 2024, subject to the planning approval. This is a year behind originally anticipated.

The Masterplan has subsequent phases costing potentially £39.000m, which will need to be revised to reflect both inflationary pressures and planning outcomes. The plans to deliver further phases are currently being developed. Submissions for any subsequent phases will be made as part of future capital programme bids. The Masterplan has been developed through consultation with our communities and partners and is being delivered as part of a collaborative programme with the volunteers of Elvaston Castle & Gardens Trust (ECGT). The Masterplan will unlock the commercial potential of the estate and make it a sustainable enterprise. A business model for future operations is currently being scoped.

2.8 Top Ten Capital schemes by value

Set out in Appendix 3 is a summary of the ten largest current capital schemes, representing approximately 46% of the current budget. These schemes are currently projected to underspend by £2.435m. This is attributable to underspends on both the LED Invest to Save project and Disabled facilities major adaptations. This is offset by an overall overspend on the LTP and Pothole Schemes. As the LED project is funded by Invest to Save monies the underspend cannot be recycled or transferred to cover any potential overspends on other projects.

3. Consultation

3.1 Not directly arising out of this report.

4. Alternative Options Considered

4.1 Do Nothing - The Council's Financial Regulations require the preparation and submission of reports to Cabinet on the projected expenditure and resources compared with approved estimates, on a regular basis.

5. Implications

5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

6.1. None Included.

7. Appendices

- 7.1 Appendix 1- Implications.
Appendix 2- Summary of Projected Capital spend by Department
Appendix 3-Top Ten Capital Projects According to Budget Value

8. Recommendation(s)

- 8.1 That the Audit Committee note the current position on the monitoring of Capital schemes.

9. Reasons for Recommendation(s)

- 9.1 To ensure that the Council is complying with best practice in providing regular capital reports to all key stakeholders regarding capital estimates and expenditure.

10. Is it necessary to waive the call in period?

- 10.1 No

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Implications

Financial

1.1 The current Capital Programme forecast indicates an overall underspend of £7.937m against a total programme of £614.106m as set out in Section 4 of the report.

Legal

2.1 The Director of Legal and Democratic Services has advised in relation to individual projects referred to in the report.

Human Resources

3.1 None directly arising out of this report.

Information Technology

4.1 None directly arising out of this report.

Equalities Impact

5.1 Not directly arising out of this report.

Corporate objectives and priorities for change

6.1 None directly arising out of this report.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 None directly arising out of this report.

Summary of Projected Capital Spend by Department									Appendix 2	
Department	Current Budget	Total spend to date inc commitments	Estimated spend remaining 2022-23	Total projected spend to 31 March 2023	Planned spend 2023-24	Planned spend 2024-25	Planned spend 2025-26	Planned spend 2026 +	TOTAL Revised planned spend	(Under) / Over
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Adult Social Care & Health	94.538	81.820	7.852	89.672	2.737	0.000	0.000	0.000	92.409	(2.129)
Children's Services	167.401	94.811	50.672	145.483	19.698	0.500	0.000	0.000	165.681	(1.720)
Corporate Services and Transformation	35.524	15.610	14.350	29.960	3.413	0.000	0.000	0.000	33.373	(2.151)
Place	316.643	223.276	58.459	281.735	23.989	8.446	0.536	0.000	314.706	(1.937)
Grand Total	614.106	415.517	131.333	546.850	49.837	8.946	0.536	0.000	606.169	(7.937)

Top Ten Capital Projects According to Budget Value										Appendix 3	
	Approval Year	Current Budget	Total spend to date inc commitments	Estimated spend remaining 2022-23	Total projected spend to 31 March 2023	Planned spend 2023-24	Planned spend 2024-25	Planned spend 2025-26	Planned spend 2026+	TOTAL Revised planned expenditure	(Under) / Over
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Local Transport Plan 2017-2022	17 - 22	76.253	32.640	29.059	61.699	8.435	3.758	0.100	0.000	73.992	(2.261)
Markham Employment Growth Zone	88 - 89	41.583	39.250	0.583	39.833	0.750	0.750	0.250	0.000	41.583	0.000
LED Street Lighting	15 - 16	32.100	28.014	0.809	28.823	1.816	0.000	0.000	0.000	30.639	(1.461)
Pothole and Challenge Fund 2020 & Pothole Fund 2021 & 2022	20 - 22	30.132	22.023	9.750	31.773	0.787	0.000	0.000	0.000	32.560	2.428
New Waste Treatment Facility Derby	20 - 21	25.000	22.721	2.279	25.000	0.000	0.000	0.000	0.000	25.000	0.000
Disabled Facilities Major adaptations 2019 – 2022	19 - 22	20.583	15.736	3.706	19.442	0.000	0.000	0.000	0.000	19.442	(1.141)
Belper Integrated Specialist Facilities	12 - 13	15.613	14.836	0.571	15.407	0.206	0.000	0.000	0.000	15.613	0.000
Bennerley Avenue Care Home	20 - 21	15.000	13.600	0.900	14.500	0.500	0.000	0.000	0.000	15.000	0.000
Alfreton Park Special School	17 – 18	13.350	13.258	0.092	13.350	0.000	0.000	0.000	0.000	13.350	0.000
Woodville Swadlincote Regeneration Route	19 - 20	12.797	12.371	0.426	12.797	0.000	0.000	0.000	0.000	12.797	0.000
TOTAL		282.411	214.449	48.175	262.624	12.494	4.508	0.350	0.000	279.976	(2.435)



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

31 January 2023

Report of the Assistant Director of Finance (Audit)

Audit Services Unit – Progress Against Audit Plan 2022-23

1. Purpose

- 1.1 To inform Members of the progress against the approved Audit Services Plan for 2022-23 as at 31 December 2022.

2. Information and Analysis

- 2.1 At the meeting of this Committee held on 22 March 2022, Members approved the Audit Services Plan for 2022-23. The Plan was formulated from a risk assessment drawn from a wide range of sources including the Council Plan, the Council's strategic risk register, Departmental risk registers, service plans and meetings with Executive Directors and Directors.
- 2.2 In accordance with the Audit Committee's Terms of Reference this report updates Members on progress against the Plan for the nine months to 31 December 2022 and represents work undertaken during that period, which is detailed in the progress report. An analysis of the progress with the Unit's Key Performance Indicators (KPIs) are also included in the progress report.
- 2.3 In common with previous years, some work forming part of last year's approved Audit Services Plan (2021-22) was completed and reported in the current year. Audit staff routinely follow up progress against agreed recommendations as part of subsequent work, in the area under review.

Operational Matters

- 2.4 Overall, the Unit's progress against the approved plan is generally on track with reasonable coverage across the core financial systems and departmental projects. Positive feedback continues to be received in terms of the revised Audit reporting and steps taken with management to address more lower priority matters as individual audits proceed. This has not only made the file review process more streamlined it also further reduces the impact on senior management team during exit meetings and resources that need to be assigned to action risk, governance, or control weaknesses.
- 2.5 As we enter the final quarter of 2022-23 audit plan, audit management will continue to work with senior management to ensure that reviews are scheduled to minimise operational impacts as far as possible, whilst minimising the number of audits that are not delivered within this period. Whilst envisaged to start at the end of 2022, the ICT network operations review has commenced and preparations are underway to agree the scope of the on-site server infrastructure audit.

Audit Resources

- 2.6 In the period since the last meeting on 29 November 2022, the Council's Assistant Director [insert full title] has tendered their resignation, and will be leaving the Council on 24 February 2023. Measures have been put in place to help minimise the impact of this departure by ensuring the two Audit Managers are briefed on the service requirements over the coming months. Having provided the management leadership for the Unit prior to the departing officer joining the Council, the Audit Service is confident of maintaining service levels during this transition period.
- 2.7 In line with all service areas across the Council, Audit staffing levels are currently being reviewed as part of the budget saving process. There is continual dialogue with the Interim Director of Finance & ICT to ensure that a robust audit service is maintained, to enable sufficient Audit work to be undertaken to allow the Unit to produce an annual audit opinion in line with the PSIAS. This is drawn from audits across a wide range of activities including fraud investigations, grant certifications, core financial systems reviews, information security/ data protection reviews and service assurance work.

It is important during these challenging times all staff are supported, with procedures in place to maintain their overall wellbeing. In terms of Audit Services:

- Audit staff are provided with an annual MyPlan, which is supported by ongoing management dialogue and formal 1-1 meetings.
- Ongoing training and development opportunities either by the use of the Council's apprenticeship scheme or bite size updates during full team meetings.
- Audit Managers regularly support staff in terms of their wellbeing and continual attendance at work. This is through return to work meetings where applicable, attendance at wellbeing webinars and continual signposting of the Council's wellbeing services.

Audit Days

2.8 At 31 December 2022, a total of 1,996 productive days have been delivered against the pro-rata target of 2,079 days (total planned days for 2022-23 is 2,772).

3. Consultation

3.1 No consultation is required.

4. Alternative Options Considered

4.1 N/A. Article 11 of the Council's Constitution requires the Audit Committee to monitor progress against the Annual Audit Plan.

5. Implications

5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

6.1 Electronic files and Audit working papers held by Audit Services, Finance & ICT Services, County Hall Complex.

7. Appendices

7.1 Appendix 1 – Implications.

7.2 Appendix 2 – Audit Services Progress Report up to 31 December 2022.

8. Recommendations

- 8.1 That Audit Committee are asked to note the performance of the Audit Services Unit during this period.

9. Reasons for Recommendation(s)

- 9.1 To note that the Council is complying with the requirements of the Council's Constitution.

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Dianne Downs

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Implications

Financial

1.1 None.

Legal

2.1 The Council has a duty to maintain an adequate and effective system of internal audit of its accounting records and system of internal control.

2.2 Audit Services discharges the Council's statutory responsibilities under Regulation 5 of the Accounts & Audit Regulations 2015 and fulfils significant aspects of the Director of Finance & ICT's statutory duties under Section 151 of the Local Government Act 1972.

Human Resources

3.1 None.

Information Technology

4.1 None.

Equalities Impact

5.1 None.

Corporate objectives and priorities for change

6.1 The work of Audit staff supports the 2021-25 Council Plan key actions for high performing, value for money and resident focused services, by independently assessing Council services and activities.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 None.

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Audit Services Unit Progress Against Audit Plan 2022-23 31 December 2022

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Dianne Downs FCMI, CMIIA
Assistant Director of Finance (Audit)

Background to the Progress Report

At the meeting of this Committee held on 22 March 2022, Members approved the Audit Services Plan for 2022-23, which had been formulated from our risk assessment using a wide range of sources including:

- the Council Plan;
- the Council’s Strategic Risk Register;
- Departmental Risk Registers;
- Service Plans; and
- meetings with Executive Directors and Directors.
(including Managing Director (Head of Paid Service), Director of Finance & ICT (Section 151 Officer) and Director of Legal and Democratic Services (Monitoring Officer).

In accordance with the Audit Committee’s Terms of Reference this report updates Members on progress against the Plan for the nine months to 31 December 2022 and represents work undertaken during this period which is detailed in **Appendix 1**. An analysis of the priority criteria for Audit recommendations and assurance levels is also included in **Appendix 1**.

In common with previous years, elements of work forming part of last year’s approved Audit Services Plan were completed and reported in the current year. Where appropriate, Audit staff routinely follow up progress against agreed recommendations as part of subsequent work, in the area under review.

All work undertaken by Audit Services is conducted in accordance with the standards required by the Public Sector Internal Audit Standards (PSIAS) and in conformance with the International Standards for the Professional Practice of Internal Auditing. The work of the Unit complies with the Council’s Audit Charter, Internal Audit Strategy and Quality Assurance and Improvement Programme which are subject to regular review.

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Current Progress

Overall, the Unit's progress against the approved plan is generally on track with reasonable coverage across the core financial systems and departmental projects. Positive feedback continues to be received in terms of the revised Audit reporting and steps taken with management to address more lower priority matters as individual audits proceed. This has not only made the file review process more streamlined it also further reduces the impact on senior management team during exit meetings and resources that need to be assigned to action risk, governance, or control weaknesses.

As we enter the final quarter of 2022-23 audit plan, audit management will continue to work with senior management to ensure that reviews are scheduled to minimise operational impacts as far as possible, whilst minimising the number of audits that are not delivered within this period. Whilst envisaged to start at the end of 2022, the ICT network operations review has commenced and preparations are underway to agree the scope of the on-site server infrastructure audit.

Since the last progress report the Audit team have either reported upon, or are a good way through the fieldwork for the following reviews:

- Key financial systems including Treasury Management and Accounts Payable;
- Communications service including separate reviews of Call Derbyshire and the Channel Shift project;
- Duplicate payments made by the Council's maintained schools;
- Legal Services;
- Highways Capital Programme;
- Public Health;
- Education Data Hub;
- Children at Risk of Missing Education;
- School and adult care establishment reviews.



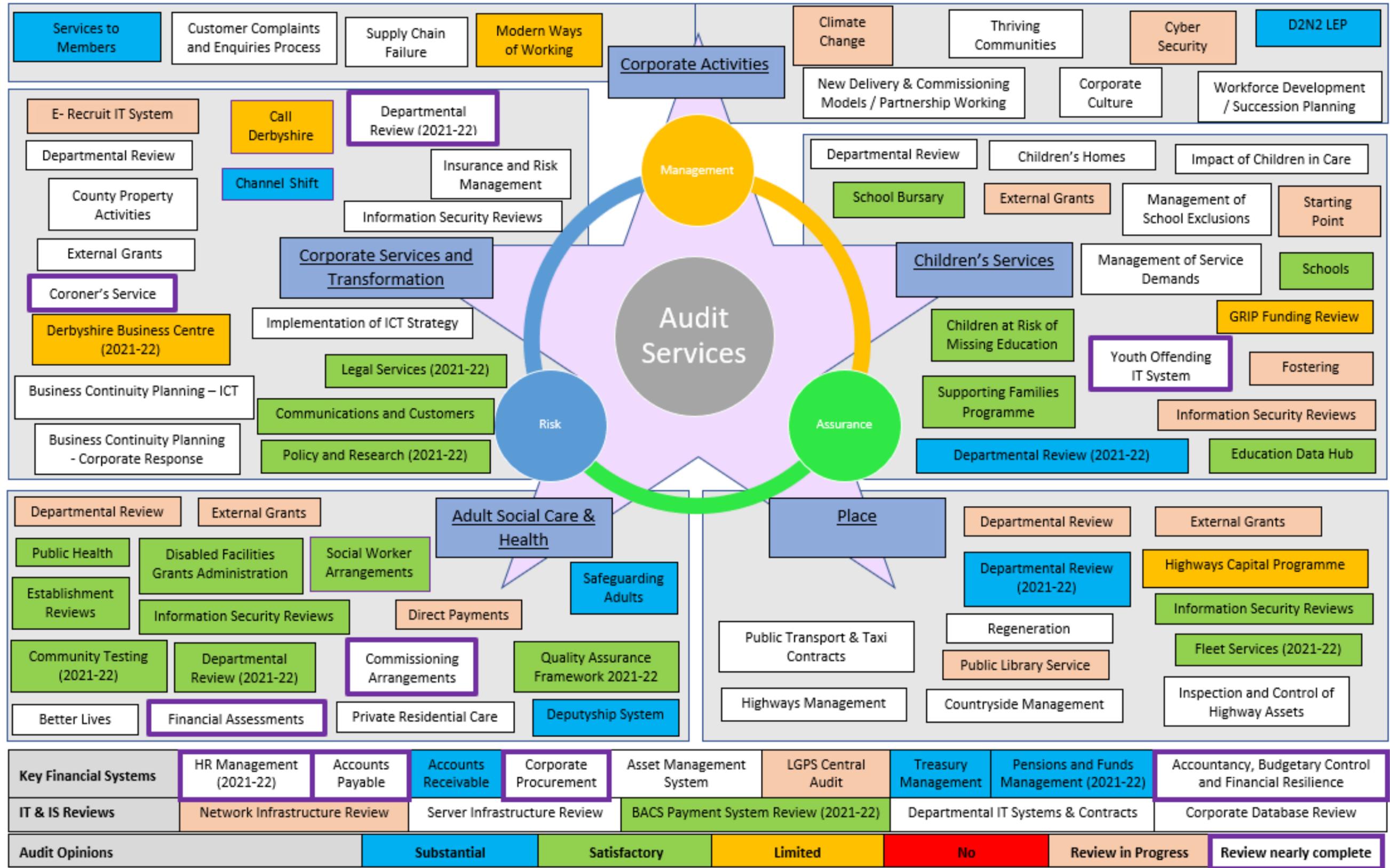
The current Audit performance against the 2022-23 approved Plan is shown below:

2022-23 Progress	As at 31 December 2022
Approved Audit Plan (2,772)	2,079
Actual Productive Days	1,996
Shortfall in Productive Days Delivered	83

Reasons for the shortfall in productive days within this period is further explained on page 6, although mainly includes staff annual leave taken, staff vacancies and additional time spent with Audit staff completing training. As this equates to 4% of the total number of productive days, Audit Services do not anticipate that this will impact on the ability to deliver the annual Head of Internal Audit Opinion in the Annual Report.

Analysis of Audit work including a summary of Reports issued up to 31 December 2022, is provided at **Appendix 1**, with more detailed comments on individual reviews within the main body of this Report.

Summary of Audit Opinions (Reports Issued up to 31 December 2022)



Audit Resources and Activities

In the period since the last meeting on 29 November 2022, the Assistant Director of Finance- Audit has received an offer for a position at another authority tendered her resignation, and will leave on 24 February 2023. The Assistant Director of Finance- Audit explained that the key driver for this move is for a better work life balance and it does not directly reflect on the Council. Whilst this may cause a period of instability within the Unit until a successor is appointed, measures have been put in place to help minimise the impact by ensuring the two Audit Managers are briefed on the service requirements over the coming months. The Assistant Director of Finance- Audit is confident that Audit Service are in safe hands during this transition period with Audit managers having previously provided the management leadership prior to the current appointment of the Assistant Director of Finance- Audit.

In line with all service areas across the Council, Audit staffing levels are currently being reviewed as part of the budget saving process. Audit is in continual dialogue with the Interim Director of Finance & ICT to ensure that a robust audit service is maintained, to enable sufficient Audit work to be undertaken to allow the Unit to produce an annual audit opinion in line with the PSIAS. This is drawn from audits across a wide range of activities including fraud investigations, grant certifications, core financial systems reviews, information security/ data protection reviews and service assurance work.

It is important during these challenging times all staff are supported, with procedures in place to maintain their overall wellbeing. In terms of Audit Services:

- Audit staff are provided with an annual MyPlan, which is supported by ongoing management dialogue and formal 1-1 meetings.
- Ongoing training and development opportunities either by the use of the Council's apprenticeship scheme or bite size updates during full team meetings.
- Audit Managers regularly support staff in terms of their wellbeing and continual attendance at work. This is through return to work



meetings where applicable, attendance at wellbeing webinars and continual signposting of the Council's wellbeing services.

Key Performance Indicators (KPIs)

Details of the current outcomes for the 2022-23 Audit Plan up to 31 December 2022, are summarised at Appendix 3 together with details of the previous years' activities to enable a comparison. Whilst the majority of targets are being, or are on target to be met, two are below expectations. However, there have been improvements since the last report to Audit Committee as more reports have been issued within 15 working days of fieldwork completion and those with a limited Audit Opinion reviewed within the ten-day target. All performance measures will be examined as part of the Quality Assurance and Improvement Programme (QAIP) where adjustments to working practices will be considered.

Corporate Governance

Good Governance is a continual process which requires ongoing commitment and support across the Council to ensure that effective control frameworks are in operation and demonstrate transparency in its actions. Over the last few years, the Council's Governance Group has made considerable progress towards this requirement. More recently however, the work of the group has been impeded limited due to competing priorities and it is considered that there are opportunities to strengthen existing arrangements and reinvigorate the Governance Group. Discussions have been held with the Monitoring Officer and Interim Director of Finance and ICT, with a view to ensuring these opportunities are explored further. Recommendations have been made to encourage reporting of activity by the Governance Group to the Corporate Management Team.

Outputs from the Group will feed into my Head of Internal Audit Annual Opinion and will be discussed with the Group as they develop the Council's Annual Governance Statement (AGS) 2022-23.

Assurance Mapping

The PSIAS require external quality assurance (EAQ) assessments of Audit Services every five years. The last assessment was conducted by Chartered Institute of Public Finance and Accountancy (CIPFA) in 2019, and the EQA outcome report noted that the assessment team's view was that:

“... the formulation and delivery of the Plan would benefit from a formal and coordinated ‘assurance mapping exercise’ that would, initially, provide clarity on what opportunities exist to take assurance on the control environment from third parties.”

Whilst the benefits of an assurance map were recognised by Audit Services, the impact of the pandemic meant that work to develop and compile an assurance map was delayed until 2022-23. Work to capture key activities and sources of assurance across the Council started earlier this year and is now complete. As this is a critical piece of work for the Council, outcomes will be reported to the Corporate Governance Group and that the work will be fundamental to the creation of the 2023-24 annual audit plan.

Counter Fraud Arrangements

At the September meeting, an update was provided on progress to improve the effectiveness of the Authority’s arrangements to counter fraud and corruption, together with advising Audit Committee on activity planned to strengthen counter fraud arrangements at the Council. Since this time, further work has been undertaken to review and update the Council’s Fraud Response Plan and Anti-Fraud and Anti-Corruption Strategy, which will be brought to the next meeting for approval. In addition, the completion of the assurance mapping exercise will help inform the development of a Fraud Risk Register for the Council. There are currently two investigations in progress and the lessons learnt from the concluded investigations have been shared with management to take action.

Cyber Security and ICT Resources

The number of cyber incidents launched against the public sector continues its upward trend, with the impact of each successful attack having a significant impact on service delivery and financial costs to the public purse. The latest example of which, Luton Borough Council, involved a ‘highly sophisticated and organised crime group’ that stole £1.1m intended for a school. According to the BBC website, a second attempt for an additional £3.2m targeted Bedford Borough Council, South East Midlands Local Enterprise Partnership (Semlep) and Luton Borough Council was foiled.

Like other authorities, the Council’s complexity of IT systems, networks and devices is continually evolving making the management and effective security an ever-present challenge. Whilst a recent external assessment from Microsoft security consultants identified best practice across significant areas of the Council’s operations, which has been further strengthened with the deployment of additional compliance and data governance tools, the absence of a clear ICT strategy and roadmap is affecting more radical progress. As a result, certain ICT support areas are working in isolation,

which is not making best use of resources, ensuring best practice is shared and that the Council, as a whole, is working towards a shared goal.

The ability to recruit suitably qualified and skilled ICT staff, remains a consistent challenge across almost all sectors of the economy. As a result, the Council is unable to progress on all new service initiatives as there is limited capacity within the service to focus beyond the day-to-day administration and security of the Council's ICT network. Whilst senior management are aware of the challenges within the ICT sector and more locally in the Council, it is important that an ICT strategy is agreed in the near future that has engagement of key stakeholders including all departments.

Detailed Analysis - Corporate Activities

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	980	1,038	Substantial	1	2
Actual days delivered	660	746	Satisfactory	3	-
Percentage of Audit Days Delivered	67.3%	72%	Limited	1	1
Number of Reports Issued	8	12	No	-	-
			Other (including letters)	4	9

Outcome reported to the Audit Committee on 29 November 2022

- ✓ Modern Ways of Working (MWoW)
- ✓ Household Support Fund – Pensioners and Emergency Settlement Payments – Letter Issued to Senior Management
- ✓ Current Special Investigations

✓ D2N2 LEP - Substantial assurance report issued

This Audit was undertaken in accordance with the Service Level agreement between the D2N2 LEP Derbyshire County Council (Accountable Body) and examined the governance arrangements. The review also sought to provide a level of assurance on adequacy and effectiveness of the control environment, appropriateness of funding and reporting arrangements.

The future of the D2N2 LEP will be impacted by the proposed £1.14 billion devolution deal covering the Derbyshire, Nottinghamshire, Derby and Nottingham authorities announced in August 2022. Plans for integration of the LEP with the new Combined Authority are still to be finalised.

Audits in Progress

Scoping of the corporate culture audit is at an early stage with meetings scheduled with senior management to scope the review. The majority of the climate change audit fieldwork has been completed and is currently subject of management review.

Detailed Analysis - Corporate Services and Transformation

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	785	660	Substantial	6	4
Actual days delivered	931	437	Satisfactory	13	4
Percentage of Audit Days Delivered	118.6%	66%	Limited	4	2
Number of Reports Issued	26	12	No	0	-
			Other (including letters)	3	2

Outcome reported to the Audit Committee on 29 November 2022

- ✓ Services to Members
- ✓ Accounts Receivable
- ✓ Pensions and Fund Management

Communications and Customers Review – Satisfactory assurance report issued

The review evaluated compliance of the service's alignment with the Council plan, internal service development programme and risk management procedures. The service was found to have a clear governance framework which contributed to effective stewardship, providing a stable foundation for the operations of the Communications Service. Areas of improvement were reported in connection with the shortfall in income generation and embedding of risk management across the service activities.

Call Derbyshire Review - Limited assurance report issued

The Audit established that the governance structures and procedural operations surrounding the service are operating effectively. Many areas of good practice were noted during the review including well documented procedure notes, out of hours arrangements and local information security arrangements. Enhancements to the call management systems were recommended to improve customer experience and in keeping with other parts of the Council, staff recruitment and retention is an ongoing challenge for the service.

✓ Channel Shift Review - Substantial assurance report issued

The Review highlighted effective stewardship and governance arrangements in place, underpinning the successful delivery and management of the Channel Shift Programme. Although some barriers to progress have been encountered in the form of implementation delays, departmental engagement and lack of agreed realised saving allocations, responsible officers have actively sought resolution, adjusting processes and procedures to minimise the impact, and reduce the potential for similar issues in future.

✓ Treasury Management Review - Substantial assurance report issued

Effective treasury management activity is essential in ensuring the security and liquidity of the Council's cash flows. The Audit evaluated the adequacy and effectiveness of the Council's policies and procedures relating to Treasury Management together with the administration of investments and borrowings, compliance with the ISO27001 standard and a follow-up of previous audit recommendations. As in prior years, good practice has been noted in relation to the administration of the function with established systems and processes in place that are operating effectively. As a result, no critical or high priority recommendations were noted during this Review.

Support and Consultancy Work

In addition to our programme of Audits, the Unit assists Management with the provision of ongoing support, advice, attendance at various meetings including those with Departmental staff and project boards. Audit staff promote the principles of good governance and control frameworks. Key groups attended in this period included:

- Finance Officers'
- SAP Implementation Project Board
- Data Protection Working
- Information Governance
- Corporate Governance
- Risk Management
- Asset Optimization Project

Audits in Progress

Work on the review of the Council's ICT network is due to commence by the middle of January 2023, with preparations underway assess the Council's on-site server management and back up arrangements. The audit of the Council's e-recruitment system and ICT asset management arrangements are both at the fieldwork stage. The reviews of Corporate Procurement, Coroner's Service and Accounts Payable are either in review or awaiting senior management responses to the report recommendations nearing completion of the fieldwork. The second phase of the of the Council's Accountancy and Budgetary Control arrangements is currently paused due to staff availability within the finance team. Limited progress has been made with the completion of the management actions within the Human Resources Management review (2021-22) and Corporate Services and Transformation Departmental audit (2021-22).

Detailed Analysis – Children’s Services

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	475	449	Substantial	1	2
Actual days delivered	238	377	Satisfactory	3	8
Percentage of Audit Days Delivered	50.1%	84%	Limited	-	3
Number of Reports Issued	4	20	No	-	-
			Other (including letters)	-	7

Outcome reported to the Audit Committee on 29 November 2022

- ✓ Children’s Services Departmental Review (2021-22)
- ✓ Children’s Services Departmental Review (2021-22)
- ✓ Graduated Response for Individual Pupils (GRIP)
- ✓ Schools

Schools Duplicate Payments Testing - Letter issued

As part of the Unit’s value for money work, a targeted review of duplicate payments within the Council’s maintained schools was undertaken. Working with schools and using data extracted from the Council’s systems, a total of 114 verified duplicate payments with a total value over £46k were identified. Work is currently ongoing to seek to recover the overpayments made. There remains the possibility of recovering additional amounts as a number of responses are still awaited. The potential value of these duplicates is in excess of £70k.

Children at Risk of Missing Eductaion - Satisfactory assurance report issued

The Audit evaluated the adequacy and effectiveness of systems, risk mitigations and control environment associated with the management of the service. During the planning of the Audit, reference was made to the organisational review in progress to revise and improve the service and team structure. The review established that overall adequate and effective systems and controls were in place with areas of good practice noted across the service. Further work is

required to ensure that guidance documents are regularly reviewed and that information management and performance monitoring arrangements are strengthened.

Education Data Hub - Satisfactory assurance report issue

The Audit scope was to review the operation of the Education Data Hub, given that it is a relatively new service area that evolved from the GDPR service for schools developed in 2018. The review was split into two areas considering the legislative compliance and operations, and the arrangements for financial and performance monitoring. There were several areas of good practice identified particularly surrounding the procedural guidance produced for staff, which was found to be comprehensive and subject to regular update and review. There were, however, a few areas where further work was required to ensure the service operating model is sustainable, these included implementing key performance indicators and management of service reductions in the event of changes in the current data protection requirements.

Support and Consultancy Work

- ✓ Grants – Supporting Families and Youth Offending Service Commissioner’s Grant

Audits in Progress

Secondary school audit visits are planned to a few schools in February and March 2023 to evaluate governance arrangements, human resources, property and information security. Whilst an initial meeting has been held with senior management regarding the planning for the Fostering and Adoption Service review, this remains within the planning phase. Audit staff have been engaging with the preferred supplier for the Digital Participation solution, which enables children and young people to communicate securely with their key worker via a web app. Whilst a number of matters have been raised with the ‘App’ supplier, hopefully this review will be concluded shortly. An exit meeting with senior management has been scheduled to finalise the Youth Offending Case Management IT System.

Detailed Analysis – Adult Social Care and Health

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	303	395	Substantial	-	3
Actual days delivered	302	322	Satisfactory	6	14
Percentage of Audit Days Delivered	99.7%	82%	Limited	-	1
Number of Reports Issued	6	19	No	-	-
			Other (including letters)	-	1

Outcome reported to the Audit Committee on 29 November 2022

- ✓ Establishment Visits
- ✓ Disabled Facilities Grant Funding (DFG) Administration
- ✓ Social Worker Arrangements (2021-22)
- ✓ Due diligence review of the new Deputyship Case Management System

 Public Health Review – Satisfactory assurance report issue

The Audit considered the adequacy and effectiveness of the controls relating to Public Health strategy and governance, commissioning and procurement, financial and performance management and grants administration together with a review of the progress made in addressing previous audit recommendations. Overall, the service had robust arrangements in place across the majority of the areas subject of review including budget monitoring, management of agency staff within community testing and procurement arrangements.

 Compliance with Department for Work and Pensions (DWP) Data Sharing Agreement Review – Limited assurance report issue

The scope of the audit was to assess the Council's compliance with the Department for Work and Pensions (DWP) Memorandum of Understanding for utilising government IT systems. The review confirmed a good level of compliance against the operational requirements, with robust procedures to control 'access tokens' used to log into the systems.

Processes were also embedded to ensure daily management checks requested by the DWP are completed and recorded. Areas for improvement were reported to senior management including within the Council's ICT network administration and entries within the service risk registers.



Derbyshire Shared Care Record - Satisfactory assurance report issue

Implementation of the Derbyshire Shared Care Record (DSCR) will enable enhanced data sharing within a controlled environment. The purpose of this review was to evaluate the adequacy and effectiveness of systems, risk mitigations and the control environment associated with the DSCR. One of the key challenges faced by the project, is the balance between maintaining an individual's rights to privacy, against the need of care professionals to share confidential information in the best interests of patients and service users. Work has been undertaken to ensure the Council's processes are compliant including the completion and review of a data protection impact assessment to support the project.

Support and Consultancy Work

- ✓ Contain Outbreak Management Fund assurance work

Audits in Progress

Work on commencing the departmental review is currently being discussed with senior management and will commence shortly. The second phase of the Derbyshire Shared Care Record is currently ongoing, as is work on the review of Direct Payments and support for the Council's adult care case management IT solution migration. The audits of Commissioning Arrangements and Financial Assessments are in review.

Detailed Analysis – Place

Departmental Performance	2021-22	2022-23	Departmental Opinions	2021-22	2022-23
Days within the Approved Audit Plan	180	230	Substantial	2	1
Actual days delivered	291	114	Satisfactory	6	2
Percentage of Audit Days Delivered	161.7%	50%	Limited	-	1
Number of Reports Issued	9	5	No	1	-
			Other (including letters)	-	1

Outcome reported to the Audit Committee on 29 November 2022

- ✓ No reports were issued within the progress update period (31 July – 31 October 2022).



Highways Capital Programme Review - Limited assurance report issue

The purpose of this Audit was to evaluate the adequacy and effectiveness of systems, risk mitigations and control environment associated with operation of the Programme. During the review it was confirmed that significant changes had been initiated by the Highways Programme Director. These changes have focused on the governance arrangements supporting the Highways Capital Programme, with the intention of strengthening and streamlining processes whilst strengthening transparency and accountability. Improvements in procedural guidance, project costing and implementation of performance measures were referred to senior management for consideration.

Review of Civil Parking Enforcement Penalty Charge Notice Write-Off Policy - Letter

Audit staff worked with Departmental colleagues to assess the administration of the Council's Civil Parking Enforcement function and compliance with relevant statutory and regulatory guidance. A small number of areas were noted in a letter to senior management including the publication of information relating to the service.

Support and Consultancy Work

- ✓ LTA Covid Bus Services Support Grant
- ✓ Multiply Funding

Audits in Progress

Work on commencing the Departmental review is currently being discussed with senior management and will commence shortly. The due diligence work on the replacement Public Transport IT system is nearing completion and will be reported shortly.

Appendix 1 - Progress Against the 2022-23 Audit Plan

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Corporate Activities – The 2022-23 Audit Plan included an allocation of 1,038 days over the following areas											
Corporate Projects											
VP018 East Midlands Broadband (emPSN)	-	1	-	-	-	-	-	-	-	-	-
VP037 Workforce Development/ Succession Planning	-	-	-	-	-	-	-	-	-	-	-
VP044 D2N2 LEP	5	26	Substantial	Substantial	↔	-	-	2	1	-	-
VP047 Supply Chain Failure	-	-	-	-	-	-	-	-	-	-	-
VP055 Corporate Culture	-	-	-	-	-	-	-	-	-	-	-
VP064 New Delivery & Commissioning Models/Partnership Working	-	-	-	-	-	-	-	-	-	-	-
VP067 Climate Change	-	25	-	-	-	-	-	-	-	-	-
VP070 Modern Ways of Working	-	33	-	4 x Letters Limited	↔	-	1	2	-	-	-
VP071 Asset Optimisation	-	2	-	-	-	-	-	-	-	-	-
VP072 East Midlands Freeport	-	-	-	-	-	-	-	-	-	-	-
VP073 County Deals	-	1	-	-	-	-	-	-	-	-	-
VP073 Customer Complaints & Enquiries Process	-	1	-	-	-	-	-	-	-	-	-
VP074 Thriving Communities	-	-	-	-	-	-	-	-	-	-	-
➤ VP075 Ukraine Family Scheme	-	9	-	Letter	-	-	-	-	-	-	-
Total	5	98	-	5 x Letters 1 x Limited	-	-	1	4	1	-	-
Corporate Governance											
CR001 Embedding Corporate Governance	-	61	-	-	-	-	-	-	-	-	-
CR005 Services to Members	-	26	Satisfactory	Substantial	↑	-	-	2	8	4H, 4M, 1L	-
CR007 Information Governance Group & Support	-	12	-	-	-	-	-	-	-	-	-
CR008 Cyber Security Group & Support	1	30	-	Letter	-	-	-	-	-	-	-
CR009 Data Protection Group & Support	-	4	-	-	-	-	-	-	-	-	-

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Total	1	133		1 x Substantial 1 x Letter	-	-	-	2	8	4H, 4M, 1L	
Corporate Fraud Prevention											
CZ100 External Audit Liaison	-	1	-	-	-	-	-	-	-	-	
CZ200 National Fraud Initiative	-	25	-	-	-	-	-	-	-	-	
CZ300 National Anti-Fraud Network	-	5	-	-	-	-	-	-	-	-	
CZ400 RIPA Management & Admin	-	4	-	-	-	-	-	-	-	-	
ZZ000 Internal Audit-Special Investigations General*	136	152	N/A	4 x Reports	N/A	5	5	2	-	-	
Total	136	187	-	4 x Reports	-	5	5	2	-	-	
Strategic Management			-	-	-	-	-	-	-	-	
VW001 Strategic Management	-	53	-	-	-	-	-	-	-	-	
VW002 Strategic Management (Risk)	-	40	-	-	-	-	-	-	-	-	
VW003 Assurance Mapping	-	93	-	-	-	-	-	-	-	-	
Total	-	186	-	-	-	-	-	-	-	-	
Audit Planning Contingency			-	-	-	-	-	-	-	-	
XX000 Audit Planning Contingency	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	
Corporate Activities Total	142	604	-	6 x Letters 2 x Substantial 1 x Limited 4 x Reports	-	5	6	8	9	4H, 4M, 1L	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Corporate Services and Transformation Department - The 2022-23 Audit Plan included an allocation of 785 days over the following areas											
Departmental Review - Management & Administration (CST)											
CA100 Corporate Services and Transformation Departmental Review	7	-	-	-	-	-	-	-	-	-	
CA102 External Grants and Certifications	-	4	-	-	-	-	-	-	-	-	
Total	7	4	-	-	-	-	-	-	-	-	
CST Operational Reviews											
CO002 Business Continuity Planning - Corporate Response	-	-	-	-	-	-	-	-	-	-	
CO003 Derbyshire Business Centre	-	1	Limited	Limited	↔	1	5	9	5	2H	
CO008 Communications and Customers	-	23	N/A	Satisfactory	↔	-	2	-	2	N/A	
CO009 Implementation of ICT Strategy	-	-	-	-	-	-	-	-	-	-	
➤ CO010 Policy and Research	1	-	N/A	Satisfactory	↔	-	-	3	1	N/A	Report relates to 2021/22 Audit
➤ CO011 Legal Services	15	-	N/A	Satisfactory	↔	-	-	8	2	-	Report relates to 2021/22 Audit
CO015 Business Continuity Planning - ICT	-	-	-	-	-	-	-	-	-	-	
➤ CO016 Communications and Customers – Call Derbyshire	-	14	N/A	Limited	↔	-	1	5	-	N/A	
➤ CO017 Communications and Customers – Channel Shift	-	18	N/A	Substantial	↔	-	-	2	2	N/A	
Total	16	56	1 x Limited	1 x Substantial 3 x Satisfactory 2 x Limited	-	1	8	27	12	2H	
Divisional Activity – Major Systems											
MA100 Core Financial Systems – General Queries	-	5	-	-	-	-	-	-	-	-	
MB100 Human Resources Management	12	-	-	-	-	-	-	-	-	-	
MC100 Accounts Payable	-	33	-	-	-	-	-	-	-	-	
MD100 Corporate Purchasing	-	42	-	-	-	-	-	-	-	-	
ME100 Accounts Receivable	-	20	Substantial	Substantial	↔	-	-	-	4	-	
MG100 Accountancy, Budgetary Control and Financial Resilience	-	42	-	-	-	-	-	-	-	-	
➤ ML100 Pensions & Funds Administration	10	-	Substantial	Substantial	↔	-	-	1	8	2M, 1L	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
ML101 LGPS Central Audit	-	3	-	-	-	-	-	-	-	-	
MM100 Treasury Management	-	25	Substantial	Substantial	↔	-	-	1	3	1M, 1L	
Total	22	170	3 x Substantial	3 x Substantial	-	-	-	2	15	3M, 2L	
Divisional Activity – Probity and Compliance											
DC400 Financial Regulations & Standing Orders	-	-	-	-	-	-	-	-	-	-	
DE101 Cash Audit & ISO 27001 Visits	-	4	N/A	Letter	-	-	2	2	2	-	
DE500 Insurance & Risk Management	-	-	-	-	-	-	-	-	-	-	
Total	-	4	-	1 x Letter	-	-	2	2	2	-	
Divisional Activity – Corporate/ Departmental IT Systems											
CK002 Corporate Database Review	-	-	-	-	-	-	-	-	-	-	
CK003 Network Infrastructure Review	-	2	-	-	-	-	-	-	-	-	
CK004 Server Infrastructure Review	-	-	-	-	-	-	-	-	-	-	
CK006 Bacs Payment System Review	1	-	Limited	Satisfactory	↑	-	-	9	1	3H, 1M	
Departmental IT Systems & Contracts	-	97	-	-	-	-	-	-	-	-	
Total	1	99	1 x Limited	1 x Satisfactory	-	-	-	9	1	3H, 1M	
Divisional Activity – County Property Division											
DV100 Property Services Review	-	25	-	Letter	-	-	-	-	-	-	
Total	-	25	-	1 x Letter	-	-	-	-	-	-	
Regulatory											
QG100 Coroner's Service Review	-	33	-	-	-	-	-	-	-	-	
Total	-	33	-	-	-	-	-	-	-	-	
Departmental Total	46	391	-	4 x Substantial 4 x Satisfactory 2 x Limited 2 x Letters	-	1	10	40	30	5H, 4M, 2L	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Children's Services Department – The 2022-23 Audit Plan included an allocation of 475 days over the following areas											
Departmental Review – Management & Administration (CS)											
AA001 Children's Services – Departmental Review	1	-	Qualified	Substantial	↑	-	-	1	7	3M	Report relates to 2021-22
AA002 Children's Services - General Support	-	1	-	-	-	-	-	-	-	-	
AA004 Information Security and Follow Up Reviews	-	34	-	-	-	-	-	-	-	-	
External Grants and Certifications	-	22	N/A	Letter	-	-	-	-	-	-	Holiday Activities and Food Programme
Total	1	57	-	1 x Substantial 1 x Letter	-	-	-	1	7	3M	
Primary, Nursery & Special Schools											
Primary, Nursery & Special Schools	-	115	3 x Satisfactory 6 x Limited	1 x Substantial 6 x Satisfactory 2 x Limited	-	1	42	72	48	44H, 17M, 18L	Includes a letter relating to the review of potential duplicate payments by schools.
Total	-	115	-	1 x Substantial 6 x Satisfactory 2 x Limited	-	1	42	72	48	44H, 17M, 18L	
Secondary Schools											
Secondary Schools	-	14	N/A	5 x Letters	-	-	-	-	-	-	Letters issued to four Secondary Schools and Director of Finance & ICT regarding School Bursary arrangements.
Total	-	14	-	5 x Letters	-	-	-	-	-	-	
Schools General Support											
Schools General Support	-	69	-	1 x Letter	-	-	-	-	-	-	
Total	-	69	-	1 x Letter	-	-	-	-	-	-	
School - Information Security Reviews											
Information Security Reviews	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	
Children's Homes											
Children's Homes	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	
Themed and Operational											
AO005 Fostering and Adoption Services	-	1	-	-	-	-	-	-	-	-	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
AO013 Supporting Families Programme	-	30	-	-	-	-	-	-	-	-	2 Grant Submissions signed-off
AO016 Starting Point	-	10	-	-	-	-	-	-	-	-	
AO019 Children at Risk of Missing Education	-	30	Substantial	Satisfactory	↓	-	1	4	2	1L	
AO022 Impact of Children in Care	-	-	-	-	-	-	-	-	-	-	
AO026 Use of Personal Budgets for Children with SEND	-	30	Satisfactory	Limited	↓	1	1	2	4	1L	Days reallocated to a review of the Graduated Response for Individual Pupils (GRIP) Programme.
➤ AO030 Education Data Hub	-	20	N/A	Satisfactory	↔	-	1	8	-	N/A	
AO031 Management of Service Demands	-	-	-	-	-	-	-	-	-	-	
AO032 Management of School Exclusions	-	-	-	-	-	-	-	-	-	-	
Total	-	121	-	1 x Satisfactory 1 x Limited	-	1	2	10	4	2L	
Departmental Total	1	376	-	2 x Substantial 8 x Satisfactory 3 x Limited 7 x Letters	-	2	44	83	59	44H, 20M, 20L	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Adult Social Care and Health Department – The 2022-23 Audit Plan included an allocation of 303 days over the following areas											
Departmental Management and Administration Review											
BA001 Adult Social Care and Health Department Departmental Review	-	-	Qualified	Satisfactory	↔	-	1	10	4	1H, 7M, 5L	Report relates to 2021/22 Audit
BA002 Adult Social Care and Health - General Support	-	15				-	-	-	-	-	Note: 13 days reallocated to Information Security reviews.
Total	-	15		1 x Satisfactory		-	1	10	4	1H, 7M, 5L	
Public Health											
BD001 Public Health	-	46	Satisfactory	Satisfactory	↔	-	1	3	2	1M	
➤ BD001 Community Testing	-	-	N/A	Satisfactory	↔	-	1	3	-	-	
Total	-	46		2 x Satisfactory		-	2	6	2	1M	
Information Security and Follow Up Reviews											
Information Security and Follow Up Reviews	1	33	N/A	2 x Satisfactory 1 x Limited 1 x Letter	↔	-	1	14	5	-	Deputyship Case Management System (Report). Outbreak Management Solution (Letter) Derbyshire Shared Care Record (Report) Review of compliance with the DWP Data Sharing Agreement.
Total	1	33	N/A	2 x Satisfactory 1 x Limited 1 x Letter	-	-	1	14	5	-	
External Grants and Certifications											
External Grants and Certifications	-	27	-	-	-	-	-	-	-	-	
Total	-	27									
Social Care – Elderly Residential											
Elderly Residential	-	26	4 x Satisfactory	1 x Substantial 3 x Satisfactory	↔	-	5	15	17	4H, 2M, 6L	
Total	-	26		1 x Substantial 3 x Satisfactory	-	-	5	15	17	4H, 2M, 6L	
Social Care - Day Care - Physical/Mental Disability											
Day Care - Physical/Mental Disability	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	
Social Care - Day Care & Hostels											

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Day Care & Hostels	-	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	-	-	-	-	-	-	
Social Care - Community Care Centres											
Community Care Centres	-	24	3 x Satisfactory	3 x Satisfactory	↔	-	6	16	9	8H, 6M, 1L	
Total	-	24	3 x Satisfactory	3 x Satisfactory	-	-	6	16	9	8H, 6M, 1L	
Themed and Operational											
BO008 Private Residential Care	-	-	-	-	-	-	-	-	-	-	
BO010 Review of Commissioning Arrangements	-	25	-	-	-	-	-	-	-	-	
BO012 Deputyship	-	21	Satisfactory	Substantial	↑	-	1	3	1	2H, 2M	
BO017 Disabled Facilities Grants Administration	-	29	Satisfactory	Satisfactory	↔	-	3	5	2	6H	
BO022 Direct Payments	-	9	-	-	-	-	-	-	-	-	
➤ BO026 Review of Quality Assurance Framework	-	-	N/A	Satisfactory	↔	-	-	9	2	N/A	Report relates to 2021/22 Audit
BO028 Safeguarding of Adults	10	-	N/A	Substantial	↔	-	-	3	1	N/A	Report relates to 2021/22 Audit
BO030 Social Worker Arrangements	6	-	N/A	Satisfactory	↔	-	2	3	-	N/A	Report relates to 2021/22 Audit
BO031 Financial Assessments	-	49	-	-	-	-	-	-	-	-	
BO032 Better Lives	-	1	-	-	-	-	-	-	-	-	
Total	16	134	-	2 x Substantial 3 x Satisfactory	-	-	6	23	6	8H, 2M	
Departmental Total	17	305	-	3 x Substantial 14 x Satisfactory 1 x Limited 1 x Letter	-	-	20	84	43	21H, 18M, 12L	

Name	Actual Days		Previous Assurance	Current Assurance	Direction of Travel	Analysis of Recommendations				Previous Recs Not Implemented	Comments
	21-22	22-23				Critical	High	Medium	Low		
Place Department – The 2022-23 Audit Plan included an allocation of 180 days over the following areas											
Departmental Management & Administration Review											
HA100 Place – Departmental Review	1	-	Satisfactory	Substantial	↑	-	-	5	1	1M	Report relates to 2021/22 Audit
HA101 Place – General Support	-	13	N/A	1 x Letter	N/A	-	-	-	-	-	
Total	1	13	1 x Satisfactory	1 x Substantial 1 x Letter	-	-	-	5	1	1M	
Information Security and Follow Up Reviews											
HA103 Information Security and Follow Up Reviews	-	8	N/A	Satisfactory	↔	-	1	5	1	N/A	Confirm Single Asset Management IT System
Total	-	8	-	1 x Satisfactory		-	1	5	1	N/A	
External Grants and Certifications											
External Grants and Certifications	3	50	-	-	-	-	-	-	-	-	
Total	3	50	-	-	-	-	-	-	-	-	
Themed and Operational											
HO004 Highways Management	-	-	-	-	-	-	-	-	-	-	
HO016 Countryside Management	-	-	-	-	-	-	-	-	-	-	
HO021 Public Transport & Taxi Contracts	-	-	-	-	-	-	-	-	-	-	
HO024 Regeneration	-	2	-	-	-	-	-	-	-	-	
➤ HO025 Fleet Services	1	-	N/A	Satisfactory	↔	-	2	4	2	N/A	Report relates to 2021/22 Audit
HO030 Inspection and Control of Highway Assets	-	-	-	-	-	-	-	-	-	-	
HO035 Public Library Service	-	-	-	-	-	-	-	-	-	-	
HO036 Capital Programme (Highways)	-	36	N/A	Limited	↑	-	4	2	2	N/A	
Total	1	38	-	1 x Satisfactory 1 x Limited	-	-	6	6	4	N/A	
Departmental Total	5	109	-	1 x Substantial 2 x Satisfactory 1 x Limited	-	-	7	16	6	1M	

Audit Opinions are categorized based upon the assurance that Management may draw on the adequacy and effectiveness of the overall control framework in operation as follows:

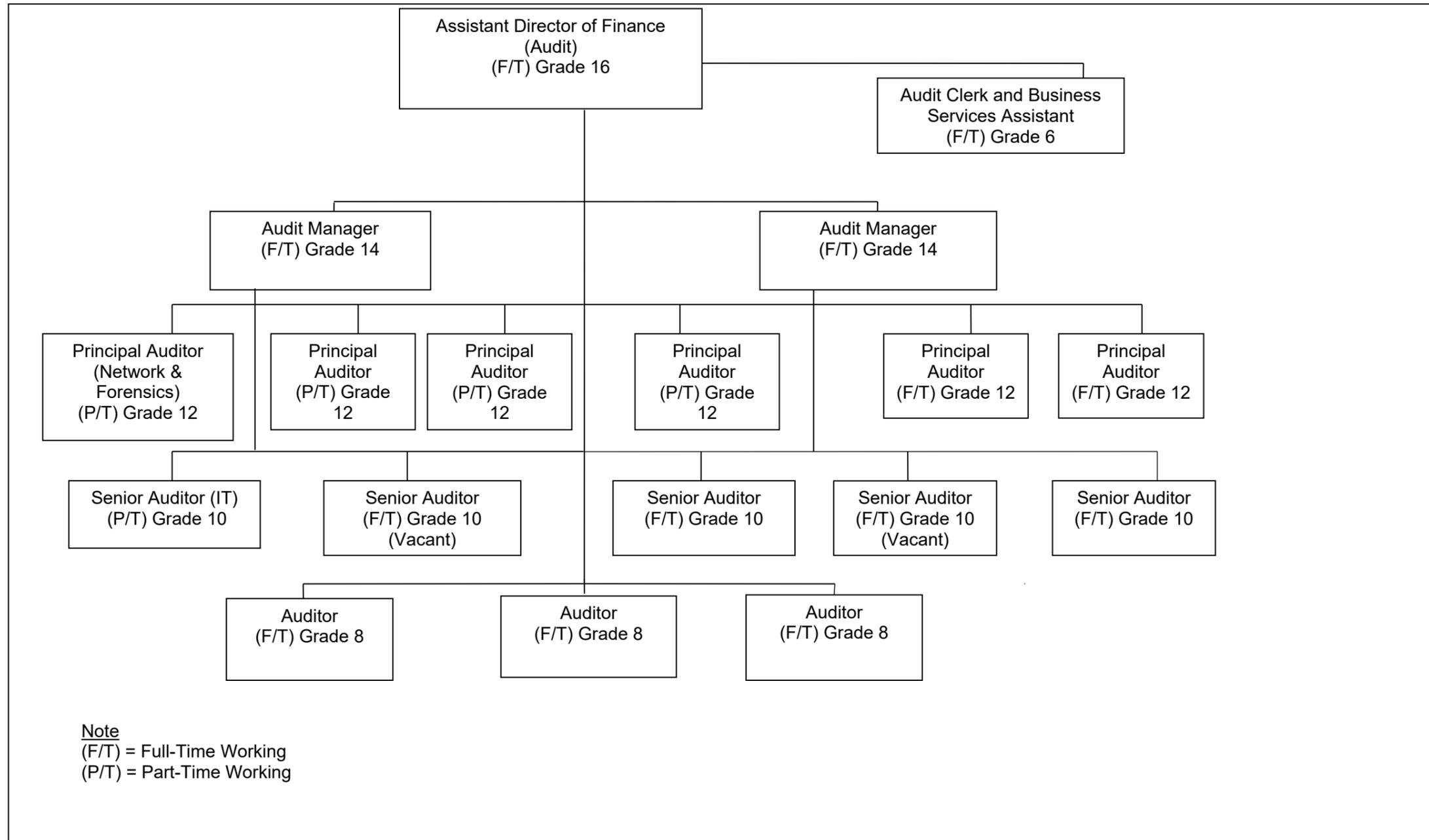
Level of Assurance		Explanation and significance
Substantial Assurance 		Whilst there is a sound system of governance, risk management and control minor weaknesses have been identified which include non-compliance with some control processes. No significant risks to the achievement of system/audit area objectives have been detected.
Satisfactory Assurance 		Whilst there is basically a sound system of governance, risk management and control some high priority recommendations have been made to address potentially significant or serious weaknesses and/or evidence of a level of non-compliance with some controls or scope for improvement identified, which may put achievement of system/audit area objectives at risk. Should these weaknesses remain unaddressed they may expose the Council to reputational risk or significant control failure.
Limited Assurance 		Significant weaknesses and/or non-compliance have been identified in key areas of the governance, risk management and control system which expose the system/audit area objectives to a high risk of failure, the Council to significant reputational risk and require improvement.
No Assurance 		Control has been judged to be inadequate as systems weaknesses, gaps and non-compliance have been identified in numerous key areas. This renders the overall system of governance, risk management and control inadequate to effectively achieve the system/audit area objectives which are open to a significant risk of error, loss, misappropriation or abuse. Immediate remedial action is required.

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Audit Recommendations are prioritized depending upon the level of associated risk and impact upon the management control framework as follows:

Level	Category	Explanation and significance
1	Critical	Significant strategic, financial or reputational risks where immediate remedial action is considered essential.
2	High	The absence of, significant weakness in, or inadequate internal controls over the operation of key systems or processes which compromise the integrity/probity of the client's operations. These would result in a potential significant increase in the level of risk exposure which may be financial, reputational or take the form of an increased risk of litigation.
3	Medium	Findings which identify poor working practices or non-compliance with established systems or procedures which result in increased risk of loss/inefficient operation and which expose the client to an increased level of risk.
4	Low	General housekeeping issues which require consideration and a planned implementation date within the medium term.

Appendix 2 – Audit Services Structure



Appendix 3 - Key Performance Indicators 2022-23

Indicator	Target	2020-21	2021-22	2022-23	Comments
Audit Plan – Achievement of planned Audit days	95%	87%	89%	96%	
Staff Productivity – Achievement of target Audit days	95%	104%	-	-	Target no longer recorded.
Completion of Audit staff MyPlan reviews and training identified	100%	100%	100%	100%	
Undertake a risk based Annual Audit Plan formulation exercise	N/A	✓	✓	✓	
Undertake quality assurance reviews of Audits (1 for each Principal Auditor per year)	100%	100%	0%	17%	1 completed, remainder scheduled to be completed by 31 March 2023
Limited Audit Opinions reviewed by Assistant Director of Finance (Audit) within 10 days of completion of Draft Report	100%	57%	100%	86%	6 out of 7 limited opinions were reviewed within 10 days
Percentage of Draft Audit Report issued within 15 working days of fieldwork completion	95%	49%	25%	51%	
Percentage of Final Audit Report issued within 28 working days of issue of Draft Audit Report	95%	47%	67%	52%	Delays pending management responses
Percentage of Recommendations made which are implemented at the time of follow up Audit	90%	71%	66%	72%	
Audit Assurance – To provide an assurance to the Authority on the adequacy and effectiveness of risk management, control and governance processes	N/A	✓	✓	✓	
Client Satisfaction – Percentage of questionnaire responses rating the Audit as good or very good	90%	87.50%	10%	100%	12 Questionnaires Returned
Annual Survey of Key Stakeholders	N/A	✓	✓	N/A	Completed as part of the Annual Report for 2022-23 (July 2023)
Delivery of Audit Opinion to Management and Audit Committee in time to inform AGS	N/A	✓	✓	N/A	Completed as part of the Annual Report for 2022-23 (July 2023)



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

31 January 2023

Report of the Assistant Director of Finance (Audit)

Regulation of Investigatory Powers Act (RIPA)

1. Purpose

- 1.1 To provide Members with an update on the use of Council's statutory powers provided for under the Regulation of Investigatory Powers Act (RIPA) 2000 as amended by the Investigatory Powers Act (IPA) 2016.

2. Information and Analysis

- 2.1 In discharge of this Committee's responsibilities for ongoing monitoring of activity in this area, Audit Services were requested to produce regular monitoring reports on activity for review by Members and to provide an assurance on the effective operation of the Council's Policy relating to the Act.
- 2.2 The Council's Audit Committee last received a RIPA update report from Assistant Director of Finance – Audit, in July 2022. This provided members with details of non-RIPA applications made for the 6 month period to 31 June 2022.
- 2.3 This latest report covers the period from 01 July 2022 to 31 December 2022 and sets out details of applications made.
- 2.4 RIPA and the IPA contain powers for various bodies to carry out covert surveillance, requests for communications data and other covert activities. Limited covert powers under RIPA are available to local authorities and can be used in appropriate circumstances in accordance

with the requirements of the legislation to support the delivery of their functions. The Investigatory Powers Commissioner's Office (IPCO) oversees the use of covert powers under RIPA by local authorities.

- 2.5 The Council can only undertake RIPA activity if the proposed operation is approved by one of the authorising officers. The authorising officer must also be satisfied that the proposed directed surveillance is proportionate to what is sought to be achieved. Communications Data requests are subsequently approved by the Council's Single Point of Contact (SPOC) at the National Anti-Fraud Network (NAFN). This process provides safeguards to establish a high level of confidence that all data obtained under the powers overseen by IPCO, is obtained lawfully.

Access to Communications Data

- 2.6 The Assistant Director of Finance – Audit acts as the Senior Responsible Officer (SRO) for approvals of RIPA and Communications Data (CD) requests on behalf of the Council. One application was made in this period in respect of access to communications data (CD). This request was submitted by Trading Standards and was a follow up amendment of the request previously reported to Audit Committee. The amendment was to assist with a live investigation that they were leading. The SRO considered that the request was deemed necessary, planned enquiries were proportionate and for a legitimate purpose. The purpose of the request was to support a live Trading Standards investigation around counterfeit tobacco operations. The request was also assessed and approved by the SPOC at NAFN.

Authorisation of Directed Surveillance

- 2.7 No applications have been received in this period in relation to directed surveillance.

Non- RIPA requests

- 2.8 Two non-RIPA requests have been received for authorisation in this period. These relate to two separate internal investigations that required access to Derbyshire County Council email accounts to establish facts. Whilst the requests did not fall within RIPA, the same considerations and clearly defined search criteria were applied. The approvals considered that the requests were deemed necessary, planned enquiries were proportionate, and for a legitimate purpose. They were reviewed in conjunction with the Director of Legal and Democratic Services.

Policy Refresh and Training

- 2.9 The RIPA update report received by Audit Committee in July 2022 noted that the Council's RIPA policy was overdue for refresh and that work on this was scheduled for 2022/23. This was to follow the release of updated Codes of Practice about use of overt investigatory powers and application of RIPA legislation, by the UK Government Home Office.
- 2.10 The revised Codes were originally due to be released by the Home Office Spring 2022, but there was a delay to approval, debate by Houses of Parliament and subsequent publication. In line with the last report to members about RIPA, the IPCO was contacted to enquire about expected timing for release of the new Codes. The IPCO were, themselves, awaiting updates and could not confirm timing. Following IPCO advice, further monthly checks on the Home Office website have been made to see if updated Codes had been published, so that our Policies could be updated.
- 2.11 The monthly check in January 2023 identified that the revised Codes were published on the Home Office webpages on 13 December 2023. Work has now started to update the Council Policy and guidance about RIPA to reflect the recent changes. It is anticipated that the policy refresh will be completed in the coming weeks and that internal stakeholders will be consulted on any proposed changes.
- 2.12 Once internal consultation is completed, the final draft will then be brought to a subsequent Audit Committee for consideration. This will be followed by training for appropriate officers, and further awareness work to remind officers about RIPA.

3. Consultation

- 3.1 Arrangements will be made for internal consultation with relevant stakeholders. No external or formal consultation is required, as the Policy will be designed to reflect compliance with legislative requirements.

4. Alternative Options Considered

- 4.1 Audit Committee could choose not to consider the report content and recommendations.

5. Implications

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

- 6.1 File held electronically by the Assistant Director of Finance (Audit).

7. Appendices

- 7.1 Appendix 1 – Implications.

8. Recommendation(s)

That the Audit Committee note that:

- a) In the period 01 July 2022 to 31 December 2022 one application relating to Communications data was made under the Council's powers relating to RIPA.
- b) Two requests for access to internal emails were approved to support internal investigations: these fall outside the scope of RIPA but were assessed in the spirit of the guidance and in accordance with current Council policy.
- c) A review of the Council's RIPA Policy is in progress, following recent publication of revised Home Office guidance.
- d) Training and awareness activity will be programmed following the RIPA Policy refresh.

9. Reasons for Recommendation(s)

- 9.1 It is prudent and responsible practice for the Audit Committee to be kept informed of the powers exercised and actions taken under Council duties arising from RIPA.
- 9.2 The IPCO recommends that members received updates at least twice a year to notify them whether any powers have been used or not.

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Appendix 1

Implications

Financial

1.1 None

Legal

2.1 The Regulation of Investigatory Powers Act 2000 and the Investigatory Powers Act 2016 regulate the use of a range of investigative powers by a variety of public authorities. Specific guidance is set out in the following Codes of Practice:

- Investigatory Powers Act 2016 - Codes of Practice
- Covert surveillance code of practice (as updated 2022)
- Code of practice for investigation of protected electronic information
- Covert Human Intelligence Sources Code of practice 2022
- Interception of Communications code of practice 2022.

2.2 Collectively, this legislation and guidance provides a statutory framework for the authorisation and conduct of certain types of covert surveillance. Its aim is to provide a balance between preserving a person's right to privacy and enabling enforcement agencies to gather evidence for effective enforcement action. Local authorities can only use these powers for the prevention and detection of crime and their use is subject to review by the independent Investigatory Powers Commissioner's Office.

Human Resources

3.1 Consultation will take place with relevant internal stakeholders about proposed updates to the policy. Appropriate internal training and awareness will follow.

Information Technology

4.1 None

Equalities Impact

5.1 None

Corporate objectives and priorities for change

6.1 The Council is committed to ensuring good governance and compliance with applicable laws and regulations.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 None



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

AUDIT COMMITTEE

31 January 2023

**Report of the Interim Director of Finance & ICT and the Assistant
Director of Finance (Audit)**

Meeting Dates and Agenda Items for 2023-24

1. Purpose

- 1.1 To agree likely agenda items for meetings of the Audit Committee to be held during 2023-24.

2. Information and Analysis

- 2.1 The Audit Committee is a key component of the Council's corporate governance and risk management arrangements. It is responsible for oversight of the Council's arrangements for financial reporting, internal and external audit and assists in ensuring that efficient and effective assurance arrangements are in place.
- 2.2 Proposed dates for Audit Committee meetings and likely agenda items for Members' consideration and/or approval are set out in a schedule at Appendix 2 to this report. These items are based on the existing business of the Committee.
- 2.3 Audit Committee Member training proposals and any additional reports arising may be added to this schedule.

3. Consultation

3.1 No consultation is required.

4. Alternative Options Considered

4.1 This report provides Audit Committee with a timetable setting out the optimum dates regarding consideration and approval of the Statement of Accounts. It is anticipated that the formal approval of the 2022-23 accounts will be undertaken at the meeting in July 2023 so that requirements of the audit of the Council's Statement of Accounts are met.

4.2 If this is not possible, then there will be the need to agree an additional meeting.

5. Implications

5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

6.1 File held by the Assistant Director of Finance (Audit).

7. Appendices

7.1 Appendix 1 – Implications.

7.2 Appendix 2 – Meeting Dates and Agenda Items

8. Recommendation(s)

That the Audit Committee:

a) considers and agrees the proposed programme for 2023-24.

9. Reasons for Recommendation(s)

9.1 The timetable has been developed to support the Audit Committee to fulfil its role and functions.

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Implications

Financial

1.1 None

Legal

2.1 The Accounts and Audit Regulations 2015 set out requirements of Internal Audit and set out requirements in relation to internal control, the exercise of public rights in relation to the accounts and rules for the preparation, approval and publication of the statement of accounts.

Human Resources

3.1 None

Information Technology

4.1 None

Equalities Impact

5.1 None

Corporate objectives and priorities for change

6.1 The Council is committed to ensuring good financial management and compliance with applicable laws and regulations.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 The forward plan of reports has been designed to support the Audit Committee to effectively monitor development and operation of risk management arrangements in the Council.

DERBYSHIRE COUNTY COUNCIL
AUDIT COMMITTEE - MEETING DATES AND AGENDA ITEMS 2023-24

	20 JUNE 2023	18 JULY 2023	19 SEPT 2023	5 DEC 2023	30 JAN 2024	19 MAR 2024
External Auditor's Reports (if any)	✓	✓	✓	✓	✓	✓
Statement of Accounts 22-23	✓	✓				
Assessment of Going Concern Status		✓				
Performance and Budget Monitoring/Forecast Outturn Arrangements 2023-24						✓
Production of 2023-24 Revenue Budget				✓		
Annual Audit Letter 2022-23			✓			
Update on 2022-23 Internal Control Recommendations						✓
Accounting Policies						✓
Tax Strategy						✓
Anti-Money Laundering Policy				✓		
Treasury Management Annual Report				✓		
Performance and Budget Monitoring/Forecast Outturn			✓	✓	✓	
Review of the Effectiveness of the System of Internal Control		✓				
Annual Governance Statement and System of Internal Control		✓				

	20 JUNE 2023	18 JULY 2023	19 SEPT 2023	5 DEC 2023	30 JAN 2024	19 MAR 2024
Review of Annual Governance Statement recommendations and Action Plan progress					✓	
Report of the Monitoring Officer			To be confirmed			
Annual Review of the Council's Regulatory Framework			✓			
Audit Services Unit Annual Report 2021-22		✓				
Audit Services Unit progress against Audit Plan 2022-23			✓	✓	✓	
Approval of Audit Services Unit Plan 2023-24						✓
Strategic Risk Review		✓	✓	✓		✓
Counter Fraud and NFI Update			✓			✓
Oversight of activity and compliance - RIPA		✓			✓	
Proposed meeting dates and Agenda items 2023-24						✓

NOTES

The above timetable sets out the optimum dates regarding consideration and approval of the Statement of Accounts. It is anticipated that the formal approval of the 2022-23 accounts will be undertaken at the meeting in July 2023 so that requirements of the audit of the Council's Statement of Accounts are met. However, if this is not possible then there will be the need to agree an additional meeting.

Audit Committee Member training proposals and any additional reports may be added to the above schedule.

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Audit Progress Report

Derbyshire County Council and
Derbyshire Pension Fund

Audit Committee - January 2023

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1. Audit Progress
2. National publications

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01

Section 01: **Audit Progress**

1. Audit progress

Purpose of this report

This report provides the Audit Committee with an update on progress in delivering our responsibilities as external auditors for Derbyshire County Council and Derbyshire Pension Fund. It also includes, at Section 2, a summary of recent national reports and publications for your information.

2020/21 Audits

The National Audit Office has issued its auditor instructions for the 2020/21 Whole of Government Accounts process and we have now submitted the required auditor's return for the County Council. NAO has not yet though communicated the arrangements for the sample of authorities where they require additional audit procedures to be carried out. The Audit Certificates on the County Council and the Pension Fund will be issued, and the audits formally closed, when NAO has confirmed their requirements and any further requested work has been completed.

2021/22 Audits

Derbyshire County Council

The position on the key elements of the 2021/22 audit is summarised below.

Financial Statements audit

We presented our Audit Completion Report during the meeting of the Audit Committee in November. Our audit of the 2021/22 financial statements is virtually complete and we are working with management to clear the small number of remaining detailed queries arising from our internal quality reviews.

In addition to these points we are now in a position to liaise with management on the national accounting issue highlighted in our November report in relation to infrastructure assets, which are a material balance in the Council's financial statements. This could not be progressed at the time of our report until the CIPFA and Department for Levelling Up, Housing and Communities (DLUHC) had resolved the expected accounting treatment and issued relevant guidance to Councils. The CIPFA bulletin, which sets out the updated guidance to Councils based the December 2022 DLUHC amended Regulations, was issued on 11 January 2023. The Council's finance team is currently reviewing the updated guidance and updating the financial statements. We are continuing to liaise with the finance team on this topic and will complete our audit on this final area when the updated financial statements and supporting working papers are available.

We will update the Committee at the January 2023 meeting on the current position and report the results of our work in our Follow-up Letter which we will issue at the conclusion of the audit.

1. Audit progress (continued)

2021/22 Audit (continued)

Value for Money arrangements

We reported our interim findings in our November 2022 report to the Committee and have continued to keep our risk assessment up to date. There have been no significant changes to our assessment of the Council's arrangements and there are no significant weaknesses or risks of significant weaknesses in the Council's arrangements that we need to bring to the Committee's attention. The Council's financial position, including the current year financial difficulties and challenging medium term outlook, continues to be an area of focus. We will update our assessment on this and the other criteria covered by the value for money commentary and set out our findings and conclusions in the Auditor's Annual Report.

Assurance work

We have been engaged by the Council to carry out the following piece of assurance work.

- Teachers Pensions Return 2021/22 – this was completed by the end of November 2022 deadline. There are no matters arising that we need to bring the Committee's attention.

Whole of Government Accounts

NAO has not yet issued its auditor instructions for 2021/22. We will carry out the work required when the instructions have been received and update the Committee at future meetings.

Derbyshire Pension Fund

We presented our Audit Completion Report during the meeting of the Audit Committee in November. Our audit of the 2021/22 financial statements is virtually complete and we are working with management to clear a small number of remaining detailed queries.

2022/23 Audits

We are updating our risk assessments and completing our planning for the 2022/23 audits. We will present our formal Audit Strategy Memoranda for both audits to the Committee's next meeting and continue to update members on progress. At this stage we do not anticipate any significant changes in the scope of the audit opinion work, the approach or timeline although additional procedures are expected to be required as a result of the 2022/23 triennial valuation of the Pension Fund.

We have confirmed the requirements of the revised ISA 315 which applies to the 2022/23 audits and underpins the work we are required to carry out to identify and assess the risks of material misstatement. This enhanced standard will increase the audit planning work for both the Council and Pension Fund audits and it is likely that we will need additional information and responses from management beyond those asked at previous audits. We have included a short summary of the key points from the revised ISA315 within Section 2 of this report and we will continue to liaise with management on the information required and any impact on our risk assessment.

NAO has confirmed that there are no changes to their requirements for the auditor's value for money commentary on the County Council's arrangements for 2022/23. We will build on the previous year's work and report our updated risk assessment, including our views on the latest budget and financial plan, in our formal 2022/23 Audit Strategy Memorandum.

2. Revised ISA 315

Revised auditing standard for Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019)

(Effective for audits of financial statements for periods beginning on or after December 15, 2021)

ISA (UK) 315 (Revised 2019) introduces major changes to the auditor's risk identification and assessment approach, which are intended to drive a more focused response from auditors undertaking work to obtain sufficient appropriate audit evidence to address the risks of material misstatement. The main changes relevant to your audit are outlined below:

- **Enhanced risk identification and assessment**

The standard has enhanced the requirements for the auditor to understand the entity and its environment as well as the applicable financial reporting framework to identify the newly introduced inherent risk factors to drive risk identification and assessment (subjectivity, complexity, uncertainty, change, and susceptibility to misstatement due to management bias or fraud). Using these inherent risk factors, the auditor assesses inherent risk on the "spectrum of inherent risk", at which the higher end lies significant risks, to drive a more focused response to the identified risks. It should also be noticed that the standard requires the auditor to obtain sufficient, appropriate audit evidence from these risk identification and assessment procedures to form the basis of their risk assessment.

The standard also increases the focus on auditors identifying the assertions where the inherent risk lays. For clarity, we include a table of assertions:

Completeness	Is the balance complete?
Accuracy & valuation	Are transactions accurately recorded and assets and liabilities appropriately measured?
Classification	Is the balance classified correctly?
Occurrence	Did the transaction occur?
Existence	Does the item exist?
Rights & obligations	Does the entity own the item?
Cut-off	Is the item recorded in the correct financial year?
Presentation & disclosure	Is the item presented in the accounts appropriately?

2. Revised ISA 315

Consideration of account balances and assessing inherent risks

Under the revised ISA 315 we will make an assessment of the inherent risks associated with the Council's transactions, balances and disclosures. We then determine whether each transaction, balance and disclosure is a 'significant account' (i.e. a significant class of transactions, balances and disclosures) and identify the assertions that are relevant. We then consider the controls the Council has in place and conclude whether or not we consider the audit risk associated to each item is significant, i.e. after taking into account the controls in place is there a significant risk of material misstatement in relation to the relevant assertion. In addition, the revised ISA requires auditors to document more closely the key business process associated with each significant account with a focus on the processes for how transactions are initiated, recorded, processed, and incorporated into the general ledger.

Greater emphasis on IT

In response to constantly evolving business environments, the standard has placed an increased emphasis on the requirements for the auditor to gain an understanding of the entity's IT environment to better understand the possible risks within an entity's information systems. As a result, auditors are required to gain a greater understanding of the IT environment, including IT general controls (ITGCs). However, the standard acknowledges the fact that there is a need for scalability in gaining this understanding and provides more detailed guidance on how to approach the topic depending on the complexity of the commercial software and/or IT applications.

Increased focus on controls

In addition to the above, the standard has also widened the scope of controls deemed relevant to the audit. Auditors are now required to increase their understanding of controls implemented by management, as well as assess the design and implementation of those controls, which include ITGCs.

Impact on the audit of the Council

Our risk assessment procedures will be more granular than in the prior year and we will be seeking more information from the Council to ensure that we can document our detailed understanding of the Council and the environment that it operates in. This will build on the existing strong knowledge of the Council we already have in place from our previous years' audits. In documenting our risk assessment, we will need to input additional time to assess inherent risks of the spectrum that the auditing standard requires.

In terms of IT, we have established a good understanding of the Council's IT environment although we will need to update our assessment following the financial system changes in 2022/23. We will keep this under review as part of our planning and interim audits. We do not plan to test ITGCs as we have designed our approach to gain assurance from substantive testing, which in our view remains the most efficient approach to take.

02

Section 02:

National publications

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National publications

	Publication/update	Key points
Financial Reporting Council (FRC)		
1	FRC Major Local Audit Inspection Report	Outcome of the FRC inspection of audit quality from 2020/21 audits
Chartered Institute of Public Finance and Accountability (CIPFA)		
2	CIPFA : Audit Committees Practical Guidance for local authorities and police	Guidance and resources for audit committee members.
3	Insourcing in the Public Sector: A Practical Guide (2022 edition)	Guidance for practitioners
4	Update to the Code and Specifications for future Codes for Infrastructure Assets	An update to the 2021/22 Code, which also updates the 2022/23 Code and will apply to subsequent years until the 2024/25 Code.
5	CIPFA Bulletin 12 Accounting for Infrastructure Assets Temporary Solution	The bulletin covers the issues to be considered regarding the temporary solution set out in the Code update and the amended Regulations for the accounting and reporting issues relating to infrastructure assets
5	Integrating Care	CIPFA has published a report entitled, 'Integrating care: policy, principles and practice for places'.
Public Audit Forum		
6	Consultation responses to the revised Practice Note 10	The Public Audit Forum (PAF) oversees the development and publication of the Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom which was revised in 2022. PAF has now published the responses to the consultation and final draft amendments. These amendments were approved by the Financial Reporting Council in November 2022.
National Audit Office (NAO)		
7	Guide to Corporate Finance in the Public Sector	The guide uses insights from NAO stakeholder engagement and draws on NAO experience of auditing government interventions and corporate finance activities

National publications

	Publication/update	Key points
8	Government Shared Services	The NAO published its report Government Shared Services which examines whether the government's latest Shared Services Strategy is on track to deliver.
9	Departmental Overview 2021-22	The NAO has produced an overview of the Department for Levelling up, Housing & Communities' (DLUHC's) spending and performance for 2021-22
Public Sector Audit Appointments Ltd		
Page 218	Publication of the 2022/23 fee scale	External audit fees for 2022/23
	11 Directory of Auditor Appointments from 2023/24	Auditor appointments for PSAA opted-in bodies
	12 PSAA announces the number of audit opinions completed for the 2021/22 audits	PSAA has published this year's position on delayed audit opinions.
Department for Levelling Up, Housing and Communities		
13	Technical consultation on consequential changes to the homelessness legislation	This consultation aims to identify and understand the impacts these changes will have on the sector, to ensure local authorities can continue to deliver their homelessness duties effectively and give people the support they need.
14	Local government finance policy statement 2023-24 to 2024-25	The policy statement sets out the government's intentions for the local government finance settlement for the next 2 years.
15	The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2022	These amended Regulations provide local authorities with the temporary statutory override option to allow them to progress and resolve any issues relating to their accounting for Infrastructure Assets.

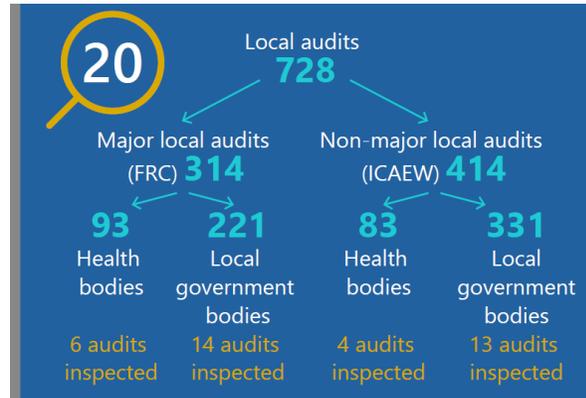
NATIONAL PUBLICATIONS

Financial Reporting Council

1. FRC Major Local Audit Inspection Report - October 2022

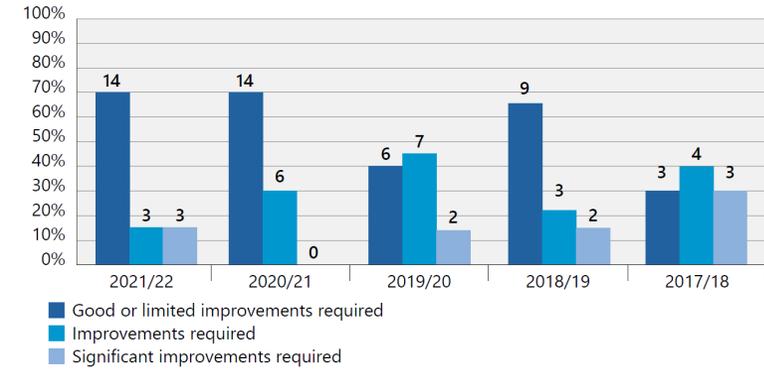
The FRC is responsible for monitoring the quality of the audits of the largest health and local government entities (called Major Local Audits or MLAs). They do this by annually inspecting a sample of MLAs from each of the audit firms who deliver this work. In their most recent publication, they reported on their review of 20 MLAs, three of which related to Mazars. The ICAEW also reviewed 17 non-MLAs (none from Mazars).

Audit firms undertaking local audits	Number of major local audits (within scope of AQR inspection)	Market share %	Reviewed by AQR in 2021/22
Grant Thornton UK LLP	125	39.8%	7
Ernst & Young LLP	72	22.9%	4
Mazars LLP	55	17.5%	3
KPM LLP	24	7.7%	2
BDO LLP	21	6.7%	2
Deloitte LLP	17	5.4%	2
Total	314		20



Overall, the FRC found that the number of audits categorised as good or limited improvements required has remained consistent with the prior year. However, there was an increase in the number of audits assessed as requiring significant improvements and they deemed this as unacceptable.

All financial statement reviews – for the firms inspected



For Mazars, the FRC found that all 3 2021.22 files reviewed met the expected standards.

This was the second successive year of 100% compliance for Mazars.

Whilst the sample size is small and focused on the higher risk audits, these strong outcomes reflect the investment we have made in people, technical expertise, specialists (such as building an in-house valuation team) and strengthening our audit methodology. Maintaining and improving audit quality is a key objective of the firm and our investment will continue.

NATIONAL PUBLICATIONS

CIPFA

2. CIPFA : Audit Committees Practical Guidance for local authorities and police 2022 edition – October 2022

The guidance and suite of publications (only available for those with a subscription) has separate guidance resources for audit committee members in authorities, members of police audit committees, and a supplement for those responsible for guiding the committee. New aspects include legislation changes in Wales and new expectations in England following the Redmond Review.

The link to the publication is here: <https://www.cipfa.org/policy-and-guidance/publications/a/audit-committees-practical-guidance-for-local-authorities-and-police-2022-edition>

3. Insourcing in the Public Sector: A Practical Guide (2022 edition), December 2022

The Guide is an information source for public bodies to help widen their understanding of insourcing and support internal discussion on whether services should be brought back in-house and, if so, how they should be brought back in. In recent times, several outsourced arrangements have failed due to poor quality and unreliability of providers. It is important to note that while insourcing does not require a public body to run a full procurement process, it still needs to follow a process and undertake key steps (for example, TUPE and asset transfer) and is equally reliant on the public body having expert and skilled personnel to manage this.

This practical guide will support public sector practitioners in understanding key areas to focus on when considering insourcing as part of future delivery models.

<https://www.cipfa.org/policy-and-guidance/publications/i/insourcing-in-the-public-sector-a-practical-guide-2022-edition>

NATIONAL PUBLICATIONS

CIPFA

4. Update to the Code and Specifications for future Codes for Infrastructure Assets (November 2022), and CIPFA Bulletin 12 Accounting for Infrastructure Assets Temporary Solution (January 2023)

This November 2022 publication is an Update to the 2021/22 Code, but it also updates the 2022/23 Code and will apply to subsequent years until the 2024/25 Code, though these specifications will also be included in the 2023/24 and 2024/25 Codes for completeness. This Update to the Code and future specifications for the Code must therefore be considered against these editions of the Code, or where necessary earlier editions.

<https://www.cipfa.org/-/media/files/policy-and-guidance/cipfa-lasaac/ifrs-based-code-update-infrastructure-assets.pdf>

The January 2023 CIPFA Bulletin 12 provides further practical guidance and covers the issues to be considered regarding the temporary solution for the accounting and reporting issues relating to infrastructure assets. The Bulletin takes into account the matters set out in the amended regulations published in December 2022 (see item 15 later in this report). The objective of the bulletin is to provide guidance on the temporary solution for accounting for infrastructure assets, focussing on the reporting of the derecognition provisions where there is replacement expenditure and particularly for highways infrastructure assets

The temporary solution includes the Update to the Code and Specifications for Future Codes for Infrastructure Assets (Update to the Code) from 1 April 2021 to 31 March 2025 which features a temporary relief not to report gross cost and accumulated depreciation for infrastructure assets and the statutory prescriptions from England and Wales and Scotland

The Bulletin also includes guidance on accounting for the pattern of consumption of economic benefits and service potential i.e. depreciation.

The Bulletin includes guidance on materiality, an overview of different elements of the temporary solution, the accounting requirements for derecognition including the statutory prescription, the impact on accounting policies and the reporting requirements for disclosure of gross cost and accumulated depreciation.

<https://www.cipfa.org/policy-and-guidance/cipfa-bulletins/cipfa-bulletin-12-accounting-for-infrastructure-assets-temporary-solution>

5. CIPFA publishes integrating care report – December 2022

CIPFA has published a report entitled, 'Integrating care: policy, principles and practice for places'. The report provides an overview of the changes since the Health and Care Act 2022 was introduced and discusses what integration is seeking to achieve. It considers the wider health and care landscape in the current climate and addresses the remaining challenges at place level.

The recommendations and case studies it contains are intended to influence the development of further policy and guidance by central government, and to provide support for practitioners at local level. The purpose of the report is to help health and local government partners to find effective solutions to the challenges of health and care integration.

<https://www.cipfa.org/about-cipfa/press-office/latest-press-releases/press-release-cipfa-publishes-integrating-care-report>

NATIONAL PUBLICATIONS

Public Audit Forum

6. Consultation on Practice Note 10 (Revised 2022): Summary of Responses and Proposed Amendments – December 2022

The consultation on the exposure draft of the 2022 revision of Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (PN 10) closed on 16 September 2022 and this document summarises the responses to the consultation and the amendments the Public Audit Forum (PAF) proposes to make to the final draft as a result.

Part 1 of PN 10 provides guidance on applying auditing, quality management and ethical standards in the public sector. It is important to consider potential changes to PN 10 in the context of PN 10's status as a Statement of Recommended Practice (SORP): a set of sector-driven recommendations on (in this case) auditing practices for the public sector which guide auditors on how to apply the underlying standards, including International Standards on Auditing (UK) (ISAs (UK)), in the specialised context of the public sector. The PAF has no role in determining the principles or requirements which are included in the ISAs (UK). The PAF also has no direct role in setting the financial reporting frameworks for public sector entities (although member bodies of the PAF maintain dialogue with the framework setters).

As set out in the summary of responses included in the report, respondents commented on a range of issues faced by auditors of public sector entities. By far the most-cited issue was the current situation in local audit in England and current delays in completing audits of local authorities. A number of respondents suggested various ways in which the consultation draft of PN 10 might be amended so as to incorporate some of these issues by reducing the audit effort in particular areas. There were suggestions that the proposed changes to the guidance on applying ISA (UK) 320 Materiality in planning and performing an audit may have a significant impact on local auditors' approach to materiality judgements.

<https://www.public-audit-forum.org.uk/wp-content/uploads/2022/12/Practice-Note-10-Consultation-Response-2022.pdf>

NATIONAL PUBLICATIONS

National Audit Office

7. Guide to Corporate Finance in the Public Sector - September 2022

The NAO recently published a guide to corporate finance in the public sector. The guide uses insights from NAO stakeholder engagement and draws on NAO experience of auditing government interventions and corporate finance activities. It covers 14 themes over three core areas:

- Principles and concepts
- Organisations and functions
- Transactions

The interactive guide contains insights from 139 NAO reports and sets out key questions for senior decision-makers to consider when overseeing corporate finance activities. It may also be of interest to professionals supporting the government to deliver a range of transactions, including commercial investments, loans and guarantees. While not directly focussed on local public services the guide may be of interest to local auditors and audited bodies.

<http://www.nao.org.uk/insights/guide-to-corporate-finance-in-the-public-sector/>

8. Government shared services – November 2022

The NAO published its report Government Shared Services which examines whether the government's latest Shared Services Strategy is on track to deliver. It aims to answer the following questions:

- Has the government made progress since we last reported on shared services in 2016? (Part One)
- Are the right conditions in place for the government to deliver its proposed efficiencies and savings? (Part Two).
- Has the government put in place mitigating actions to address the future challenges it faces in delivering its strategy? (Part Three)

The report concludes the government's previous shared services strategies failed to deliver their intended cost savings and other benefits. Its new Shared Services Strategy is highly ambitious and, while most departments consider the cluster model a sensible approach, there are several fundamental elements yet to be put in place that are jeopardising the success of the strategy. For example, the Cabinet Office is still unclear on the extent of the benefits this programme can be expected to bring. It is difficult to judge what progress has been made on enablers such as process and data convergence.

The reports highlights concerns that these gaps cause uncertainty for departments and mean that the Cabinet Office will repeat past failures. The NAO, therefore, cannot conclude that this programme is on track to demonstrate value for money.

<https://www.nao.org.uk/reports/government-shared-services/#downloads>

NATIONAL PUBLICATIONS

National Audit Office

9. Departmental Overview 2021-22: Department for Levelling Up, Housing & Communities - December 2022

The NAO has produced an overview of the Department for Levelling up, Housing & Communities' (DLUHC's) spending and performance for 2021-22. DLUHC spends nearly £38 billion each year to support economic growth and housing across the country, in collaboration with local authorities. It has overall responsibility in central government for local authorities' funding. Along with other bodies, DLUHC oversees the core accountability system for local authorities.

The guide summarises the key information and insights that can be gained from the NAO's examinations of DLUHC and related bodies in the sector in England, and DLUHC's Annual Report and Accounts.

<https://www.nao.org.uk/overviews/departmental-overview-2021-22-department-for-levelling-up-housing-communities/>

NATIONAL PUBLICATIONS

Public Sector Audit Appointments Ltd

10. News release: Publication of the 2022/23 fee scale – November 2022

PSAA has published the 2022/23 audit fee scale following consultation. Information on the fee scale and consultation is available. Most audit work under this fee scale will be undertaken from April 2023 onwards.

The fee scale applies for the audit work to be undertaken by appointed auditors in respect of the 2022/23 financial statements at relevant principal authorities that have opted into PSAA's national auditor appointment arrangements for the period 2018/19 to 2022/23.

Auditors will undertake their work under the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office on behalf of the Comptroller and Auditor General, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.

Under the Local Audit (Appointing Person) Regulations 2015, the 2022/23 fee scale must be published by 30 November 2022 and cannot be amended after that date. Any subsequent changes in national requirements or local circumstances relating to the 2022/23 audits will therefore be the subject of fee variations.

The 2022/23 fee scale is the last in the current appointing period which is under the 2017 audit contracts. New contracts will apply from the 2023/24 audit following a procurement during 2022. PSAA will consult on the fee scale for the 2023/24 audit in early autumn 2023.

<https://www.psa.co.uk/appointing-auditors-and-fees/list-of-auditor-appointments-and-scale-fees/2022-23-auditor-appointments-and-audit-fee-scale/>

11. Directory of Auditor Appointments from 2023/24 – December 2022

PSAA has published its Directory of Auditor Appointments from 2023/24 following the completion of the 2022 procurement. The Board agreed the appointments at its meeting on 16 December 2022.

<https://www.psa.co.uk/2023/01/directory-of-auditor-appointments-from-2023-24/>

NATIONAL PUBLICATIONS

Public Sector Audit Appointments Ltd

12. PSAA announces the number of audit opinions completed for the 2021/22 audits – December 2022

This year's position on delayed audit opinions underscores the scale of the huge challenge that local audit is facing. At the publishing date of 30 November 2022, only 12% of local government bodies' 2021/22 audit opinions have been given. Although this is slightly higher than last year's 9%, this year's publishing date is two months later than the 30 September target for delivery of 2020/21 opinions.

The table below highlights a comparison with previous years.

Year of Account	Publishing Date	Opinions given at the publishing date
2021/22	30 November 2022	12%
2020/21	30 September 2021	9%
2019/20	30 November 2020	45%
2018/19	31 July 2019	57%

What makes the latest position increasingly alarming is that more than 220 opinions from prior years remain outstanding. As opinions have been given at fewer than 60 bodies for 2021/22, this means that a total of more than 630 opinions are currently late. This year the position has been made more difficult by uncertainties concerning the valuation of infrastructure assets, adding to significant ongoing challenges of recruiting and retaining sufficient staff with the requisite knowledge, skills and experience to both prepare and audit the accounts to the required standard.

<https://www.psa.co.uk/appointing-auditors-and-fees/list-of-auditor-appointments-and-scale-fees/2022-23-auditor-appointments-and-audit-fee-scale/>

NATIONAL PUBLICATIONS

Department for Levelling Up, Housing and Communities

13. Technical Consultation on Consequential changes to the homelessness legislation – December 2022

This consultation seeks views on the consequential amendments to homelessness legislation as a result of the Renters Reform Bill, namely, the removal of section 21 evictions, assured shorthold tenancies and fixed-term tenancies and aims to identify and understand the impacts these changes will have on the sector, to ensure local authorities can continue to deliver their homelessness duties effectively and give people the support they need.

The scope of the consultation is limited to responses on the legislative technical amendments. The majority of the amendments to the legislation are minor and, while the consultation is open to everyone, most responses are expected to be from local authorities and charities in the homelessness space.

The consultation will run for 7 weeks.

<https://www.gov.uk/government/consultations/technical-consultation-on-consequential-changes-to-the-homelessness-legislation/technical-consultation-on-consequential-changes-to-the-homelessness-legislation>

14. Local government finance policy statement 2023-24 to 2024-25 – December 2022

The local government finance policy statement sets out the government's intentions for the local government finance settlement for the next 2 years, providing councils with greater certainty on key aspects of their funding to inform their budget setting process and help them to plan for the future.

For the core settlement the Business Rates Multiplier for 2023-24 will be frozen at 49.9p and Revenue Support Grant (RSG) will increase in line with CPI.

For council tax the bespoke council tax referendum principle of up to 3% or £5, whichever is higher, for shire districts remains.

In respect of the remaining settlement grants, the Rural Services Delivery Grant will remain unchanged, in recognition of the inflationary pressures across the sector the Lower Tier Services Grant will be repurposed along with a proportion of the expired New Homes Bonus legacy payments to create a new one-off, funding guarantee. This will ensure that all authorities will see at least a 3% increase in their Core Spending Power before any decision they make about organisational efficiencies, use of reserves, and council tax levels. There will also be new rounds of New Homes Bonus (NHB) payments in 2023-24.

These proposals are subject to consultation which will last for 4 weeks from 19 December 2022 to 16 January 2023.

<https://www.gov.uk/government/publications/local-government-finance-policy-statement-2023-24-to-2024-25/local-government-finance-policy-statement-2023-24-to-2024-25>

15. The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2022 – December 2022

These amended regulations came into force 25 December 2022. New regulation 30M (3) provides that where a local authority replaces a component of an infrastructure asset, the authority has a choice of how to identify the carrying amount to be derecognised in respect of that component (ie either a nil amount or to follow the Code). Regulation 30M applies to statements of accounts for financial years beginning on or before 1 April 2024, and to those statements of accounts that have not already been certified by a local auditor. The accompanying explanatory memorandum sets out the government's expectation in interpreting the statutory provision which is that where local authorities determine the carrying amount to be derecognised at nil value, no further evidence is required to support this. The government has indicated that 'determination' should be interpreted as a choice by an authority. As set out in the Local Government Act 2003 S.21 (3), where there is conflict between accounting practices specified in regulations and those in Code, the practices in regulations take precedent. The government has indicated that the intent of the Regulations and the Update to the Code is to mitigate the risks of further audit delays or the qualification of accounts due to issues relating to infrastructure assets, as described.

<http://www.legislation.gov.uk/ukxi/2022/1232/introduction/made>

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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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