



**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**AUDIT COMMITTEE**

**21 March 2023**

**Report of the Interim Director of Finance & ICT**

**Performance and Budget Monitoring/Forecast Outturn Arrangements**

**1. Purpose**

- 1.1 To provide Members with details of the latest arrangements for performance and budget monitoring/forecast outturn.

**2. Information and Analysis**

- 2.1 Details of the Council's budget monitoring protocols and developments have previously been reported to Audit Committee.
- 2.2 Departments are required to meet monthly with the Director of Finance & ICT and provide details of their latest budget monitoring position. The information is generally presented in a consistent format by all departments, showing the year-to-date position and the projected outturn for the year, together with a brief summary of the major variances.
- 2.3 Combined performance and budget monitoring/outturn reports to Cabinet Member and Cabinet are an embedded part of the reporting cycle. The process follows the established practice of reporting at portfolio level to Cabinet Members and then collating this information, along with corporate and cross-cutting items, into an overall report to Cabinet. Reports are submitted on a quarterly basis.
- 2.4 To ensure that the arrangements remain robust, reporting requirements and timescales are set out in the Performance and Budget Monitoring Policy, a copy of which is attached at Appendix Two. The Policy is widely distributed to departmental Finance and Performance Managers.

- 2.5 The latest Accountancy and Budgetary Control audit undertaken by Audit Services concluded that Budget Monitoring arrangements are embedded and generally operating effectively.
- 2.6 Following a review of the Policy in March 2023, the following changes have been made:
- The schedule of meeting dates between the departmental Senior Finance Business Partners and the Director of Finance & ICT has been updated.
  - The timetable for reporting the monitoring position to Cabinet and Cabinet Member portfolios has been updated.
  - The report format now includes the requirement to disclose significant items of one-off expenditure. This is in addition to the need to disclose significant items of one-off income, which was already a requirement.
  - The report format now includes the requirement to report the forecast cost of service pressures and compare these with budget allocations. This will enable pressures to be closely scrutinised; there is an expectation that where costs are not as high as estimated, the budget will be clawed back from departments to help the Council support and maintain a balanced budget.
  - Minor updates to the report format Sections 5 to 8.
  - The Recommendations and Reasons for Recommendations sections, in the report format, have been rationalised.

### **Covid-19**

- 2.7 It has been necessary during 2020-21 to 2022-23 to adapt the pro-forma reporting format to appropriately capture and present the additional costs and funding associated with the Council's and the Government's response to the Covid-19 pandemic. Similar adjustments are not expected to be required in 2023-24; however, any necessary changes to the format will be agreed by the Director of Finance & ICT.

### **3. Alternative Options Considered**

- 3.1 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. The Council's Financial Regulations require the reporting of variances of income and expenditure against budget allocation to be reported to Cabinet in line with the Budget Monitoring Policy. This report sets out the Budget Monitoring Policy.

#### **4. Implications**

- 4.1 Appendix One sets out the relevant implications considered in the preparation of the report.

#### **5. Consultation**

- 5.1 No consultation is required.

#### **6. Background Papers**

- 6.1 None identified.

#### **7. Appendices**

- 7.1 Appendix 1 – Implications  
7.2 Appendix 2 - Performance and Budget Monitoring Policy

#### **8. Recommendation**

That Audit Committee:

- 8.1 Notes the details of current performance and budget monitoring arrangements.

#### **9. Reasons for Recommendation**

- 9.1 A 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. The outturn position supports the development of budgets in both the short and medium term. The Council's Financial Regulations require the reporting of variances of income and expenditure against budget allocation to be reported to Cabinet in line with the Budget Monitoring Policy.
- 9.2 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.

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## **Implications**

### **Financial**

- 1.1 The schedule for reporting the budget monitoring/outturn position and the schedule of meeting dates between the Senior Finance Business Partners and the Director of Finance & ICT have been updated. The Performance and Budget Monitoring Policy has been amended with updates to the template portfolio monitoring report format.

### **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.

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

- 7.1 None.

# Performance and Budget Monitoring Policy 2023-24



March 2023

## **Performance Monitoring**

The Council's priorities are set out within the current Council Plan. This is reviewed on an annual basis and the key actions required to deliver each priority are identified; these are accompanied where appropriate by measures to demonstrate effectiveness and impact.

Progress against actions is the focus of corporate performance reporting with the lead officers required to provide a quarterly commentary and a rating of strong, good, requires review or requires action for each action. These ratings are collated to give an indication of overall progress for each priority for reporting to Cabinet, with detail of each action and associated measure.

The actions relevant to each Portfolio have been identified to enable integration with the existing budget monitoring reports. This is provided in summary, highlighting key success and areas of concern with full detail of each action and measure attached in an appendix.

## **Objectives and Importance of Budget Monitoring**

The Director of Finance & ICT is responsible for providing appropriate financial information to enable budgets to be monitored effectively by budget holders and to report to Cabinet and Council on variances.

It is the responsibility of the Director of Finance & ICT to ensure that each Executive Director is given timely information on each budget heading for which they are responsible, to enable them to fulfil their budgetary responsibilities and manage expenditure/income. Budget Monitoring ensures that relevant managers are made accountable for their elements of the overall budget and resources are used for their intended and agreed purpose.

It is the responsibility of each Executive Director to keep within their overall budget; it is the responsibility of finance staff under the direction of the Director of Finance & ICT to monitor these budgets and to supply this information to departmental senior officers, to assist in the management of their budget.

It is important that variances against budgetary targets are identified and explained. The Council can then identify changes in trends and resource requirements.

Budget monitoring is a means of identifying and managing possible over and underspends and will include a forecast for the year. This will enable corrective action to be taken for any problem areas during the year.

## Frequency of Budget Monitoring

This note sets out the procedure for the monitoring process. Monitoring ideally should be done monthly, the first one being at period 3 (June).

At the very least, significant or problem areas within each department must be monitored, with a revised forecast provided, or assurance should be provided that the forecast remains the same as previously reported.

A departmental monitoring statement should be completed after each period end, after “actual to plan” and “plan to plan” have been copied over to the new period. A series of meetings has been arranged, with the Director of Finance & ICT, to briefly discuss the latest budget monitoring position following each period end. A report should be drafted outlining the controllable departmental budget position, together with brief details of the main variances. A copy of the report should be forwarded to the Director of Finance & ICT (copy to Finance Manager - Financial Strategy), prior to the meeting. The following table gives guidance as to when these meetings should take place.

Monitoring Period		Meetings with Director of Finance & ICT
P3 (Q1)	Jun 2023	w/c 24 July 2023
P4	Jul 2023	w/c 28 Aug 2023
P5	Aug 2023	w/c 25 Sep 2023
P6 (Q2)	Sep 2023	w/c 23 Oct 2023
P7	Oct 2023	w/c 27 Nov 2023
P8	Nov 2023	w/c 25 Dec 2023
P9 (Q3)	Dec 2023	w/c 22 Jan 2024
P10	Jan 2024	Not required
P11	Feb 2024	Not required
Outturn (Q4)	Mar 2024	TBC

The Executive Director for each department also has a regular ‘One to One’ bi-monthly meeting with the Director of Finance & ICT to discuss variances, with particular reference to proposed budget reductions. If a department’s budget position is giving cause for concern, or there are there are any other concerns, the meetings will be more frequent.

Meetings have not been arranged with the Director of Finance & ICT for periods 10 and 11 as the position is unlikely to have moved significantly from that reported at period 9 (Q3), however, if there has been a significant movement in the forecast position from period 9, a meeting with the Director of Finance & ICT should be arranged. Portfolio monitoring statements are expected to be reported regularly to the appropriate Cabinet Member after consultation with the relevant budget holders at periods 3 (Q1), 6 (Q2) and 9 (Q3).

Monitoring should be based on controllable budgets using the controllable cost element hierarchy (ZRCON). It should be agreed and balanced to the controllable budget on the ledger (plan version 'C').

A full summarised Council revenue monitoring report will be submitted to Cabinet. This will occur 3 times a year and will normally report at periods 3 (Q1), 6 (Q2) and 9 (Q3).in addition to the year-end outturn (Q4). The timetable for this is as follows:

<b>Monitoring Period</b>	<b>Complete By</b>	<b>Report to Cabinet Member</b>	<b>Summarised Report to Cabinet</b>
3 (Q1) - June 2023	End July 2023	Within August 2023	21 September 2023
6 (Q2) - September 2023	End October 2023	Within November 2023	7 December 2023
9 (Q3) - December 2023	End January 2024	Within February 2024	14 March 2024
12 + Special Periods (Q4) Outturn	End May 2024	Within June 2024	Within July 2024

A more detailed timetable is provided at Appendix A.

Including the formal monitoring process outlined above, as a minimum, the following should be undertaken:

Periods 3,6,9	<ul style="list-style-type: none"> <li>• Detailed monitoring including a statement of over/underspend</li> <li>• A reconciliation of budget to plan version 'C'</li> <li>• Controllable totals agreed to ledger</li> </ul>
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	<ul style="list-style-type: none"> <li>• All budget virements included to agree plan version 'C' with Council budget</li> <li>• All significant variances identified and explained</li> <li>• Significant use of earmarked reserves to support general spending must be clearly identified</li> <li>• Significant items of one-off income and expenditure identified</li> <li>• Costs compared to budget allocations for service pressures</li> <li>• Report to Cabinet Member, including a statement on the current debt position</li> </ul>
Periods 4,5,7,8,10,11	<ul style="list-style-type: none"> <li>• Summary of monitoring e.g. problem areas</li> <li>• Statement of assurance that there is no deviation from the previously reported forecast</li> </ul>
Period 12	<ul style="list-style-type: none"> <li>• Outturn report based on Period 14, including a statement on the current debt position</li> </ul>

### Format of Reports

All reports to the Cabinet Member will be in a standard format set out in Appendix B. However, the layout may be adapted to accommodate exceptional items of income and expenditure or to make improvements to presentation or transparency. Any changes to the format will be agreed by the Director of Finance & ICT.

### Budget Savings

The Council is required by the Local Government Finance Act, 1992, to set a balanced budget. In the circumstance where funding is forecast to be insufficient to meet current levels of expenditure with the addition of cost pressures, savings will be required in order that expenditure does not exceed income.

When the annual revenue budget is set, this results in the establishment of a savings target for the Council as a whole. This target is allocated as a budget reduction between the Council's departments and subsequently between Cabinet Member portfolios.

Savings initiatives are planned programmes, activities and services reductions designed to reduce net expenditure over an implementation period. The expected value of these reductions and the profile should have been identified for every savings initiative.

The value of savings forecast to be delivered within the year should be reported in the monitoring reports and the savings actually delivered should be measured and reported within outturn reports. Savings are not made by merely allocating a reduction in budget to a service. For this purpose, the value of savings achieved is defined to be the actual reduction in net expenditure in the current financial year, compared to the previous financial year, resulting from a planned programme of actions taken in respect of the service(s) affected by the initiative. If a saving has been achieved based on this definition, but a service still overspends in another area, then it is possible to both achieve a saving and overspend overall on a service. This measurement should be adjusted for the effect of one-off items of funding and/or ongoing allocations of budget for cost pressures.

The complete delivery of a saving initiative may span more than one year. An initiative which was planned to start in a previous year but had not been fully delivered at the start of the current year must continue to be reported; the achievement of these initiatives should be measured against the total budget reduction forecast for that initiative, less the value of savings achieved in previous years.

Where the value of savings achieved is less than the portfolio's savings target, this will result in a shortfall in the savings achieved. This shortfall will be rolled forwards and added to the savings targets allocated to that portfolio in future years. Any shortfalls rolled forwards from previous years must be clearly identified and reported. These shortfalls will comprise of both a portfolio's savings targets which had not been allocated to a service and that portion of a savings target which had been allocated to a service, but had not yet been achieved, at the start of the year.

A shortfall in the savings achieved, compared to the total savings target, reported within the outturn report for a portfolio will be the value of budget reductions brought forward from previous years which is reported the following year in that portfolio's monitoring report.

## **Debt Position**

The current debt position will be disclosed within the monitoring report. As information on debts owed to the Council is collected on a departmental rather than portfolio basis, the whole department's debt position will be reported to the most significant portfolio, in terms of income, which that department reports to. These will be as follows:

- Adult Care's debt position will be reported to the Adult Care portfolio.
- Children's Services' debt position will be reported to the Children's Services and Safeguarding and Education portfolios.

- Place's debt position will be reported to the Highways Assets and Transport portfolio.
- Corporate Services and Transformation's debt position will be reported to the Corporate Services and Budget portfolio.

It is expected that Exchequer Services will provide this data to the accountancy teams for inclusion in their monitoring reports, upon request. This will ensure consistency in the production of this information.

### **Traded Services**

The financial performance of trading areas, where the Council receives income in return for providing discretionary services to external organisations and/or individuals, will be disclosed within the monitoring reports. A trading area may be deemed to be either 'fully traded' or 'partially 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. '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. The financial performance of each of these areas shall be measured as follows:

- For 'fully traded' areas this shall be the contribution of the trading area to the Council's general overheads, where contribution is equal to the gross controllable expenditure after controllable recharges less controllable income.
- For 'partially traded' areas this shall be the difference between the budgeted income target and the actual income recognised.

### Detailed Timetable of Performance and Budget Monitoring Arrangements

Reporting Period	Performance measure and Deliverable Progress data updated by Departments	Performance report to CMT (Policy)	Final Finance Portfolio Reports to Financial Strategy (Departments)	Draft Finance Overall Report to Director of Finance & ICT (Financial Strategy)	Finance & Performance Combined Portfolio Reports to Cabinet Member (Departments / Policy)	Combined Overall Report to Cabinet/CMT (Policy / Financial Strategy)	Combined Overall Report to Cabinet (Policy / Financial Strategy)
Q1 Apr- Jun	20-Jul-23	25-Jul-23	04-Aug-23	24-Aug-23	Aug-23	06-Sep-23	21-Sep-23
Q2 Jul-Sep	19-Oct-23	24-Oct-23	20-Oct-23	09-Nov-23	Nov-23	22-Nov-23	07-Dec-23
Q3 Oct-Dec	25-Jan-24	30-Jan-24	26-Jan-24	15-Feb-24	Feb-24	28-Feb-24	14-Mar-24
Q4 Jan-Mar (outturn)	09-May-24	21-May-24	24-May-24	13-Jun-24	Jun-24	26-Jun-24	Jul-24

**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEMBER FOR <PORTFOLIO>**

**<Date>**

**Joint Report of the Executive Director of <Department>  
and the Director of Finance & ICT**

**Performance and Budget Monitoring/Forecast Outturn 20Y1-Y2 as at  
Quarter X  
(<PORTFOLIO>)**

**1 Divisions Affected**

1.1 County-wide

**2 Key Decision**

2.1 This is not a key decision.

**3 Purpose of the Report**

3.1 To provide the Cabinet Member with an update of Council Plan performance position and the revenue budget position of the <name> portfolio for 20Y1-Y2 up to the end of Month 20Y1 (Quarter X).

**4 Information and Analysis**

**Integrated Reporting**

4.1 This report presents both financial and Council Plan performance data. The performance summary sets out progress on the Council Plan deliverables and measures led by the <name> portfolio. The remainder of the report gives a summary and detail on the revenue budget position for the portfolio.

4.2 As an overview, the report shows that progress is "good" or "strong" for the majority of the Council Plan deliverables led by the portfolio, however the deliverables "A" and "B" have been flagged as "requiring review".

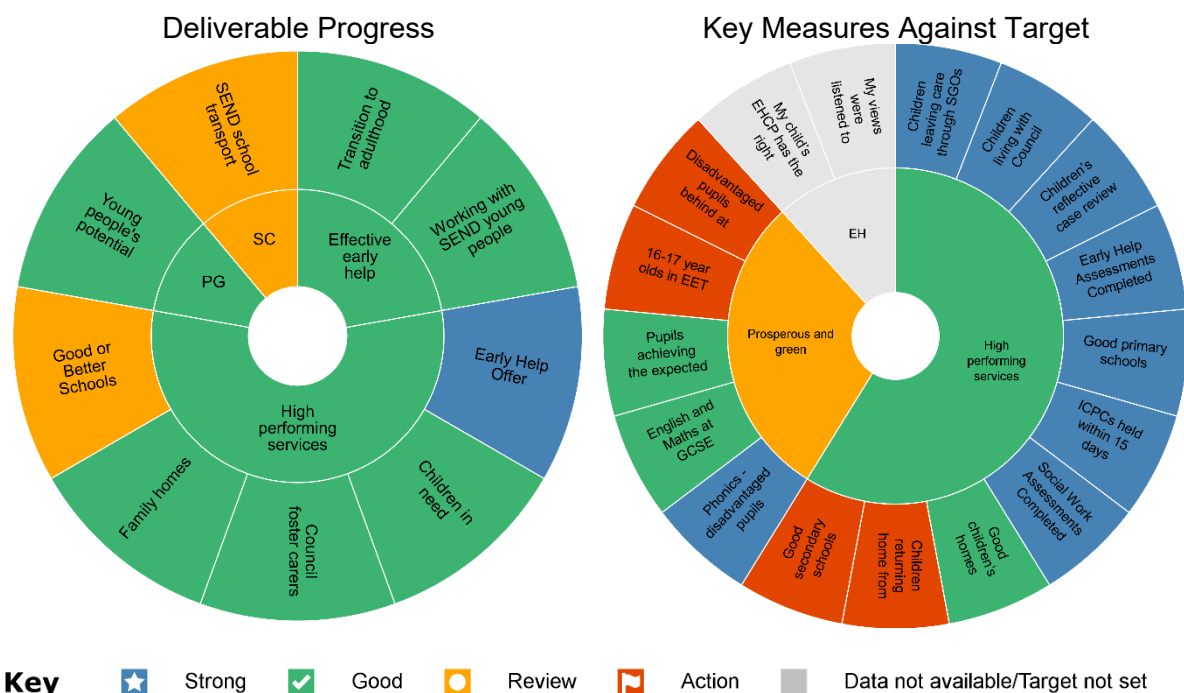
## APPENDIX B

4.3 The budget forecast position for 20Y1-Y2 is an over/underspend of £X.XXXm. It is forecast that £X.XXXm of savings will have been achieved by the year end. This compares to target savings of £X.XXXm and the value of savings initiatives, which have been identified for implementation in the current year, of £X.XXXm.

### Performance Summary

4.4 The following shows an overview for Quarter X of progress on the Council Plan deliverables and key measures relating directly to <name> portfolio.

### Example Graphics



4.5 The progress of the relevant Council Plan deliverables led by the portfolio has been reviewed and X have been rated as "good" and Y as "review".

4.6 Key areas of success are:

- Area and reason for success 1
- Area and reason for success 2

4.7 Key areas for consideration are:

- Area and reason for consideration 1
- Area and reason for consideration 2

4.8 Further information on the portfolio's Council Plan performance is included at Appendix Two.

### Budget Forecast Summary

4.9 The net controllable budget for the <Name> portfolio is £X.XXXm.

*Example Graphic*  
Forecast outturn against target budget

4.10 The Revenue Budget Monitoring Statement prepared at period X indicates that there is a forecast year-end overspend of £X.XXXm.

4.11 This overspend will be supported by the use of £X.XXXm of earmarked reserves. After the use of these reserves the forecast position is an overspend of £X.XXXm.



4.12 In addition to any use of earmarked reserves, the forecast outturn position includes the following significant items of one-off income:






- £X.XXXm – One-Off Income Item 1 Description
- £X.XXXm – One-Off Income Item 2 Description

4.13 The forecast outturn position includes the following significant items of one-off expenditure:

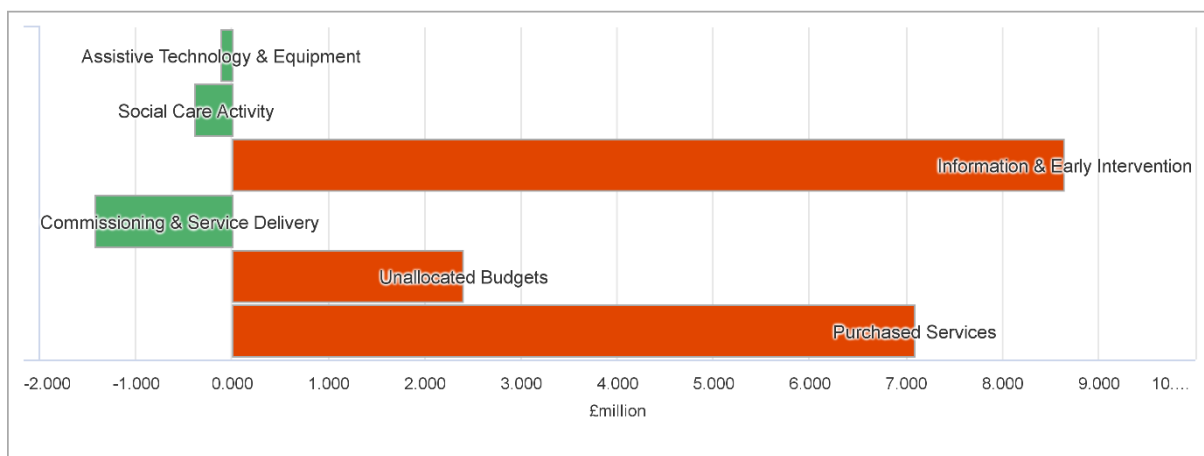
- £X.XXXm – One-Off Expenditure Item 1 Description
- £X.XXXm – One-Off Expenditure Item 2 Description

4.14 The significant areas which make up this forecast are shown in the table and graph below:

<Portfolio Name> Budget Items  
Forecast Under/Overspend

	Controllable Budget	Full Year Forecast	Forecast Under(-)/ Over Spend	Percentage Under(-)/ Over Spend	Budget Performance
	£m	£m	£m	%	
Item 1 Description	X.XXX	X.XXX	X.XXX	X.X%	
Item 2 Description	X.XXX	X.XXX	X.XXX	X.X%	
Other minor balances	X.XXX	X.XXX	X.XXX	X.X%	
<b>Total</b>	<b>X.XXX</b>	<b>X.XXX</b>	<b>X.XXX</b>	X.X%	
Use of Reserve 1 Description	(X.XXX)	0.000	(X.XXX)		
Use of Reserve 2 Description	(X.XXX)	0.000	(X.XXX)		
<b>Total After Use of Reserves</b>	<b>X.XXX</b>	<b>X.XXX</b>	<b>X.XXX</b>	X.X%	

### Example Graphic



### Key Variances

4.15 Item 1 Description, £X.XXXm over/underspend  
<Explanation of reason for item 1 variance>

4.16 Item 2 Description, £X.XXXm over/underspend



<Explanation of reason for item 2 variance>

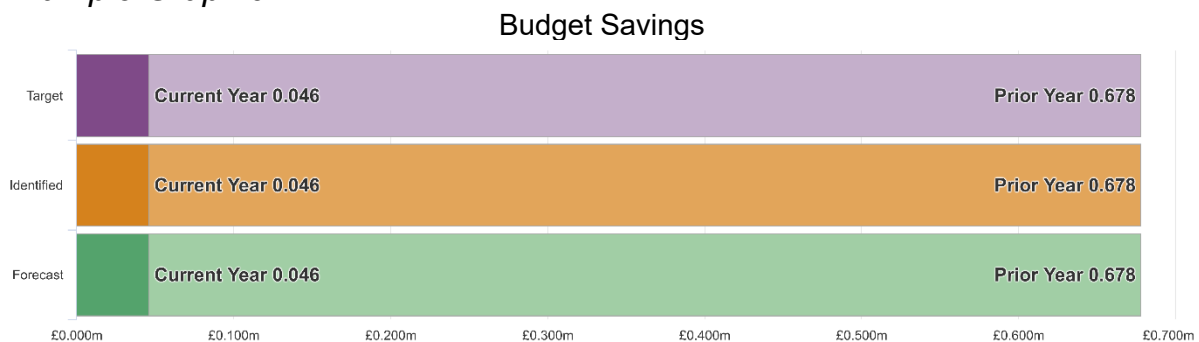
## Budget Savings

4.17 Budget reduction targets totalling £X.XXXm were allocated for the year. Further reductions allocated in prior years, totalling £X.XXXm, had not been achieved and were brought forward to the current year. This has resulted in total reductions target to be achieved of £X.XXXm at the start of the year.

4.18 The value of the savings initiatives which have been identified for implementation in the current year is £X.XXXm. In addition, there are £X.XXXm of savings initiatives identified in previous years which had not been achieved at the start of the year, but that are still expected to be achieved within the year.





4.19 The shortfall between the total reductions target to be achieved and the identified savings initiatives is £X.XXXm.

### Example Graphic



4.20 It is forecast that £X.XXXm of the in-year savings and £X.XXXm of prior year savings will have been achieved by the year-end. In addition, it is forecast that £X.XXXm of one-off savings will be achieved in the year. The table below shows performance against the target.

## APPENDIX B

Identified Savings Initiatives	Budget Reduction Amount £m	Forecast to be Achieved by the end of 20Y1-Y2 £m	(Shortfall)/ Additional Savings Achieved £m	Performance
Initiative 1 Description	X.XXX	X.XXX	X.XXX	
Initiative 2 Description	X.XXX	X.XXX	X.XXX	
<b>Total of Identified Savings Initiatives</b>	<b>X.XXX</b>	<b>X.XXX</b>	<b>X.XXX</b>	
Shortfall/(Surplus) of Identified Savings	X.XXX/ (X.XXX)	0.000	X.XXX/ (X.XXX)	
<b>Total Savings Target</b>	<b>X.XXX</b>	<b>X.XXX</b>	<b>X.XXX</b>	

Budget Reduction Amount	£m
Prior Year B/f	X.XXX
Current Year	X.XXX
<b>Total Savings Target</b>	<b>X.XXX</b>

### Growth Items and One-Off Funding

4.21 The portfolio received the following additional budget allocations in 20Y1-Y2:

4.22 Item 1 Description - £X.XXXm ongoing, plus £X.XXXm one-off

<Explanation of the purpose for which the additional budget for Item 1 has been given>

4.23 Item 2 Description - £X.XXXm ongoing, plus £X.XXXm one-off

<Explanation of the purpose for which the additional budget for Item 2 has been given>

## APPENDIX B

4.24 The forecast costs, compared to the budget allocated to the portfolio, for service pressures are:

Service Pressure	Ongoing			One-Off		
	Budget Allocated	Forecast Costs for the Year	Forecast Residual Budget	Budget Allocated	Forecast Costs for the Year	Forecast Residual Budget
	£m	£m	£m	£m	£m	£m
Item 1 Description	A	B	= max (A-B, 0)	C	D	= max (C-D, 0)
Item 2 Description	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
<b>Total</b>	<b>X.XXX</b>	<b>X.XXX</b>	<b>X.XXX</b>	<b>X.XXX</b>	<b>X.XXX</b>	<b>X.XXX</b>

4.25 Where a budget allocation for a service pressure exceeds the cost, the budget will be clawed back to the Risk Management budget to help the Council support and maintain a balanced budget. The residual budget available to be returned from the portfolio to the Risk Management budget is forecast to be £X.XXXm ongoing and £X.XXXm one-off in 20Y1-Y2.

4.26 £X.XXXm ongoing and £X.XXXm one-off budget has actually been returned to the Risk Management budget in the year to date.

### Financial Risks

4.27 There is a risk that the following issues could negatively impact on the portfolio's forecast outturn position reported in the Forecast Summary above:

Service	Risk	Sensitivity* £m	Likelihood 1 = Low, 5 = High
Service 1 Description	Explanation of what the risk is	X.XXX	X
Service 2 Description	Explanation of what the risk is	X.XXX	X
Service 3 Description	Explanation of what the risk is	X.XXX	X

\*Sensitivity represents the potential negative impact on the outturn position should the event occur.

## Earmarked Reserves

4.28 Earmarked reserves totalling £X.XXXm are currently held to support future expenditure. Details of these reserves are as follows:

### Example Graphic

Reserves		£m
Older People's Housing Strategy	=	30.000
Healthy Homes	=	0.046
<b>Total Reserves</b>		<b>30.046</b>

#### Key

- ↑ Reserve has increased over the quarter
- = Reserve is unchanged over the quarter
- ▼ Reserve has decreased over the quarter

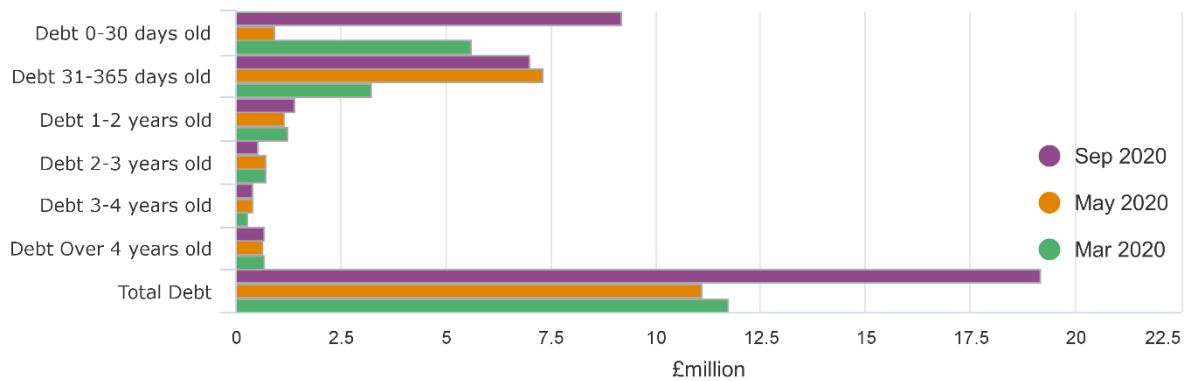
## Debt Position

4.29 The profile of the debt raised, relating to income receivable by services within the <name> department, is as follows:

### Example Graphics

Debt Position						
0-30 days	31-365 days	1-2 years	2-3 years	3-4 years	Over 4 years	Total
£m	£m	£m	£m	£m	£m	£m
9.175	6.994	1.403	0.534	0.385	0.685	19.176
↑	▼	↑	▼	▼	↑	↑
47.8%	36.5%	7.3%	2.8%	2.0%	3.6%	100.0%

## Aged Debt over Time



4.30 In the year up to the end of <Date> the value of debt that has been written off totals £X.XXXm.

### Traded Services

4.31 A trading area is where the Council receives income in return for providing discretionary services to external organisations and/or individuals.

### Fully Traded Areas




4.32 '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. The financial performance of these areas is as follows:

Service Area	Trading Area	A Projected Gross Controllable Expenditure* £m	B Projected Gross Controllable Income £m	B - A Forecast Contribution/Deficit(-) to General Overheads £m	Performance	Is Contribution/Deficit transferred to Earmarked Reserves?
Service Area 1	Trading Area 1	X.XXX	X.XXX	X.XXX		Yes/No
Service Area 1	Trading Area 2	X.XXX	X.XXX	X.XXX		Yes/No
Service Area2	Trading Area 3	X.XXX	X.XXX	X.XXX		Yes/No

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

## Partially Traded Areas

4.33 '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. The financial performance of these areas is as follows:

		A	B	B - A	
Service Area	Trading Area	Budgeted Income Target £m	Projected Actual Income £m	Forecast Excess/ Shortfall(-) compared to Target £m	Performance
Service Area 1	Trading Area 1	X.XXX	X.XXX	X.XXX	
Service Area 1	Trading Area 2	X.XXX	X.XXX	X.XXX	
Service Area2	Trading Area 3	X.XXX	X.XXX	X.XXX	

## 5 Consultation

5.1 No consultation in 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 Members in line with the Budget Monitoring Policy.

## 7 Implications

7.1 Appendix One 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 – Performance Report Quarter X, 20Y1-Y2

**10 Recommendation(s)**

10.1 That the Cabinet Member notes and agrees the performance and budget position/forecast outturn for 2022-23 as at Quarter X.

**10 Reasons for Recommendation(s)**

10.1 The forecast outturn report provides a summary of the expected overall financial performance and use of resources against the Portfolio's approved budget for the financial year 20Y1-Y2. The outturn position supports the development of budgets in both the short and medium term.

**11 Is it necessary to waive the call-in period?**

11.1 No

**Report Authors:**

<Name 1>

<Name 2>

**Contact details:**

<contact details 1>

<contact details 2>

## **Implications**

### **Financial**

1.1 As outlined in the body of the report.

### **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.

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

7.1 None.




## Appendix 2

### *Example Performance Report and Graphics*

# <Portfolio Name> Quarter X Performance Report 20Y1/20Y2

## Progress on Council Plan deliverables and key measures

### Empowered and self-sufficient communities

 **Co-designed the Council's offer to people with learning disabilities, focusing on their strengths to help them achieve their personal goals utilising the community networks built during the pandemic**

During quarter 2 there has been a continued focus on the Better Lives programme of work. All people with learning disability and / or Autism who have used building-based services and their carers / families have been written to and communication is ongoing to co-produce a new offer. This includes both those who attend directly provided day centres and those who attend day services in the private, voluntary and independent sector, a total number of 742 people. The new offer will focus on different ways of working to enable people with a learning disability to achieve personal goals, learn new skills, gain employment or volunteering opportunities and be more involved in their local communities. A central team of practitioners has now been established to work directly with people and their families / carers to co-produce the new offer. The team are currently actively working with 80 people. Recognising the need to have a range of services available plans are in place to re-open 3 building based offers within DCC and create the community offer. Progress is being 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. 4 people have moved in this quarter.

## A focus on prevention and early intervention

### Better supported people to live at home longer and feel part of their local communities using the thriving communities approach

The Better Lives programme work has continued in quarter 2 with a particular focus on supporting timely discharges from hospital which ensure older people are supported to return home and the creation of an enhanced reablement offer. The prototype of this new offer has been trialled with successful results and will be rolled out across the County during quarter 3.

The performance for those remaining within their own homes for 91 days following discharge from hospital has remained stable. Data since April has been available on a monthly basis with the latest figure for July of 73.5% .

The admissions figures shown for the first quarter of 2020/21 are lower than previous years. It is anticipated that these figures will increase slightly, but will remain less than previous years. It is not currently possible to state with absolute certainty why this figure is lower, but highly likely that this is due to the impact of Covid-19. The first quarter of the current financial year saw the peak of Covid-19 and the ensuing significant restrictions placed on care homes. The impact that Covid-19 had on hospital throughput likely effected the number of long term placements into care homes, as hospital discharges are a key source of care home admissions.

17.8

Admissions to residential and nursing homes (18-64)

30 JUN 20

674.6

Admissions to residential and nursing homes (65+)

30 JUN 20

75.0%

People still at home 91 days after discharge

31 JUL 20

### Reviewed the Council's care and support offer for children with special educational needs and disabilities and adults to improve efficiency, value for money and customer outcomes

The achieving great futures (AGF) workstream has been impacted by Covid-19. Delays to the workstream have been mitigated in the overall delivery plan. Learning from AGF has been used in the Children's Diagnostic and there are opportunities for greater impact working across the whole life pathway. In addition there is a Special Educational Needs and Disabilities (SEND) action plan which is currently being led by the Local Area SEND Board.

Rating set at 'Review' as there is still a risk to the timetable which is dependent on timing of the restart of this programme.

94.1%

Care &amp; support services help improve quality of life

31 MAR 19

## APPENDIX B

In the previous two years over 94% of clients responding to our Adult Care survey have agreed that care and support services help improve their quality of life. Results of the survey in 2019/20 will be published later in 2020.

### ✔ Continued the implementation of the Older People's Housing, Accommodation and Support Strategy

Collaboratively working alongside partners regarding opportunities for housing for older people, and the development of Local Plans and other strategic documents to ensure that housing for an ageing population is reflected as a key issue. We have reviewed the programme of activity in light of the impact of Covid-19 .

### 🟡 Commissioned a new approach to provide innovative technological solutions to support people with social care needs to maintain their independence and reduce our carbon footprint

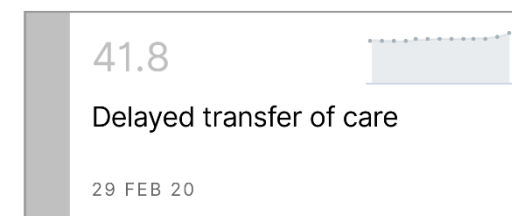
Proposals on the next steps for Assistive technology have been reviewed in line with the Council's wider transformation and the future model for AT is being developed using models from other Councils and learning from diagnostic report. The Brain in Hand pilot has been reviewed and we are currently working with the provider to commence the 12 months pilot in October 2020 Brain in hand is a digital support system designed to help people to navigate day-to-day difficulties and to problem solve; support can also be accessed at any time from the individual's mobile. The Remote Assessments for Equipment and Adaptations pilot project continues to be rolled out; will implement digital solutions to reduce the number of visits for Occupational Therapist's and other professionals and to prescribe more adaptations and equipment through Call Derbyshire to improve the speed with which referrals are dealt with and to release capacity for more complex situations.

## High performing council services

### ✔ Maintained the Council's high performance in reducing delayed transfers of care from hospital

During the Covid-19 pandemic a new national approach to discharge from hospital was introduced across the country. The Council in partnership with Health has successfully implemented the new national guidelines. This has been further enhanced by the Better Lives workstream. This has resulted in people being able to leave hospitals earlier with higher numbers of people returning back to their own homes with community support. Work has continued in quarter 2. We remain focused on supporting timely discharges from hospital through the Better Lives programme and the creation of an enhanced reablement offer has delivered successful results which will be rolled out across the County during quarter 3.

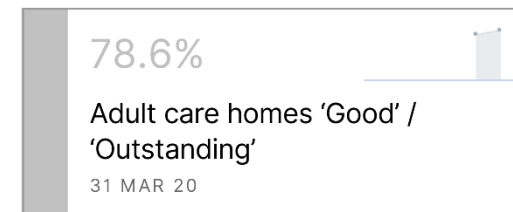
National publication of data has been suspended since February due to the impact of Covid-19.



**Ensured all Council run adult care homes have Quality of Care graded as ‘Good’ or ‘Outstanding’ by the Care Quality Commission**

The Council has 27 residential care homes, of these 23 are homes for older people and 4 specialising in learning difficulties. Current performance shows that 85% of those homes are rated as good for quality of care.

Currently on site Care Quality Commission inspections have ceased due to Covid-19 but the services are still being monitored at arm's length by the regulator through their Emergency Support Framework and the in house Quality and Compliance Team auditing processes. Feedback via the Quality Improvement Board which is responsible for the oversight of all the quality assurance and improvement work within directly provided regulated services is positive and provides assurance that quality improvement continues to be addressed as a priority



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