

Cherwell District Council
Overview and Scrutiny Committee

28 August 2018

<p>Monthly Performance, Risk and Finance Monitoring Report – June 2018</p>

**Report of Assistant Director: Performance and Transformation
and Assistant Director: Finance and Governance**

This report is public

Purpose of report

This report summarises the Council's Performance, Risk and Finance monitoring position as at the end of each month.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the monthly Performance, Risk and Finance Monitoring Report.
- 1.2 To note that the Performance, Risk and Finance Monitoring Report is considered by Executive on a monthly basis.
- 1.3 To review and comment on the performance update for June (Appendix 1) and identify any areas for further consideration by the Executive.

2.0 Introduction

- 2.1 The Council is committed to performance, risk and budget management and reviews progress against its corporate priorities on a monthly basis.
- 2.2 This report provides an update on progress made so far in 2018-19 to deliver the Council's priorities through reporting on performance, the Leadership Risk Register and providing an update on the financial position.
- 2.3 The Council's performance management framework sets out the key actions, projects and programmes of work that contribute to the delivery of the 2018-19 business plan and the priorities of the Council. These measures and key performance indicators are reported on a monthly basis to highlight progress, identify areas of good performance and actions that have been taken to address underperformance or delays.
- 2.4 The Council maintains a Leadership Risk Register that is reviewed on a monthly basis. The latest available version of the risk register at the date this report is published is included in this report.

2.5 The Report details section is split into three parts:

- Performance Update
- Leadership Risk Register Update
- Finance Update

2.6 There are four appendices to this report:

- Appendix 1 - Monthly Performance Report
- Appendix 2 – 2018/19 Business Plan
- Appendix 3 – Leadership Risk Register
- Appendix 4 – Capital Programme

3.0 Report Details




Performance Update

3.1 The Council's performance management framework sets out the key actions, projects and programmes of work that contribute to the delivery of the 2018-19 business plan (see Appendix 2) and the priorities of the Council.

3.2 The 2018-19 business plan set out three strategic priorities:

- Protected, Green and Clean;
- Thriving Communities and Wellbeing;
- District of Opportunity and Growth.

3.3 This report provides a summary of the Council's performance in delivering against each strategic priority. To measure performance a 'traffic light' system is used. Where performance is on or ahead of target it is rated green, where performance is slightly behind the target it is rated amber. A red rating indicated performance is off target.

Colour	Symbol	Meaning for Joint Business Plan Measures	Meaning for Joint Key Performance Measures (KPIs)
Red		Significantly behind schedule	Worse than target by more than 10%.
Amber		Slightly behind schedule	Worse than target by up to 10%.
Green		Delivering to plan	Delivering to target or ahead of it.

Priority: Protected, Green and Clean

3.4 The Council is committed to protecting the natural environment and ensuring the character of the district is preserved and enhanced. Our commitment included working to ensure the district has high standards of environmental cleanliness and

greater waste and recycling services. Maintaining the district as a low crime area is another key part of this priority and the Council is committed to working in partnership to deliver against this objective.

3.5 Overview of our performance against this strategic priority:

- **Weather impacts on recycling performance** – The percentage of waste recycled and composted fell in June, an expected seasonal trend further affected by the hot and dry weather experienced during the month. Performance for June is reporting 1.44% short of the monthly profiled target and only 0.28% short of the YTD target. The continued heat wave throughout July is expected to see this performance trend continue next month.
- **Hardwick neighbourhood blitz campaign** saw 160 working hours dedicated to tackling litter, graffiti and fly-tipping on the busy Banbury estate. Five workers collected nearly 15 tonnes of waste using mechanical street sweepers, and gathered over two tonnes by hand, weighing the same as four elephants.
- **Annual Air Quality Status Report for 2018 submitted** - The report which provides an overview of air quality in the district during 2017 has been submitted to DEFRA (Department for Environment, Food & Rural Affairs). Overall the general trend in nitrogen dioxide concentrations across the district is downwards, except in the Hennef Way, Horsefair and Kidlington 'Air Quality Management Areas' (AQMAs). The monitoring supports the retention of the four AQMAs in CDC (Hennef Way, Horsefair, Kidlington and Bicester).
- **Protecting the built heritage** - The Heritage at Risk strategy is progressing and the owners of the last identified c.50 buildings/sites have been recently contacted to undertake surveys. Following these surveys, we will have a complete record of Listed Buildings at Risk at SNC and will take steps to address the problems with these buildings and structures.

The Conservation Team continues to support Development Management led major projects work at the former RAF Bicester site, including the proposed hotel, new technical site, and master planning appraisal work. Conservation advice and input continues at the former RAF Nether Heyford site.

Priority: Thriving Communities and Wellbeing

3.6 The Council is committed to supporting our communities to thrive and to promoting the wellbeing of our residents. This priority includes supporting health and wellbeing, improving leisure facilities and delivering leisure activities and working in partnership with voluntary organisations to deliver services in a manner that safeguards children, young people and vulnerable adults. Another key aspect of this priority is preventing homelessness, the delivery of affordable housing and improving the condition of residential properties.

3.7 Overview of our performance against this strategic priority:

- **The Social Prescribing (SP) scheme** is developing well, working in partnership with Citizens Advice North Oxfordshire and Oxfordshire Clinical Commissioning Group (OCCG). Department of Health funding has now been secured for a four year project in partnership with West and OCCG (Oxfordshire Clinical Commissioning Group) across the north locality, to be launched this autumn.
- **Providing enhanced leisure facilities** has seen the Launch of Summer Holiday Activities at Bicester, Banbury and Bloxham. Activities to commence on Thursday 26th July to Friday 31st August. An Athletics event hosted at North Oxfordshire Academy Athletics Track in partnership with Banbury Harriers as part of fixtures for the 2018 season was held during June. Opening hours at Woodgreen Open Air 50m Swimming Pool were extended during the Half term.
- **Housing benefit performance continues to improve** - The average time taken to process new benefit claims for June 2018 is excellent, reducing to 9 days against a local target of 15 days. This is an improvement from May 2018 when the average time taken to process new claims was 11.31 days. The national target is 22 days.
- **Housing benefit change events processing time** has fallen in June to 10.50 days against a target of 8 days, however is Green for the YTD performing at 6.75 days against the target of 8 days.

Priority: District of Opportunity and Growth

3.8 The Council is committed to developing the local economy, promoting inward investment and delivering sustainable growth. This priority also contributes towards making great places to live, work, visit and invest through economic development and working in partnership to deliver strategic transport infrastructure projects.

3.9 Overview of our performance against this strategic priority:

- **Increasing employment at strategic employment sites, promoting investments and business growth has seen** - The Economic Growth team are contributing to the Oxfordshire Industrial Strategy and Joint Strategic Spatial Plan workshop to ensure that the needs of the economy are recognised and planned for. The OxLEP Market Place event was held on 8 June where local businesses were able to exhibit and gain information and advice about how to expand.
- **Delivery of innovative and effective housing schemes** – The Build! Team has delivered 28 units of supported housing in Banbury. 8 of these have been let to people from the single homeless pathway with 20 to be let. Further units will be brought forward in Bicester in the next few months.
- **Unemployment rate hasn't changed this month, but remains significantly below regional and national figures** – in May 2018 unemployment rate was 0.9% (825 people) for Cherwell, no percentage change in the figures since last month. The rate for England is 2.2% and Cherwell is performing well in relation to other districts. (Note: % is the number of claimants as a proportion of resident population of area aged 16-64 and gender).

- **The Partial Review of the Local Plan** - The Partial Review Local Plan was submitted to PINs (Planning Inspectorate) for Examination on 5 March 2018. We are still awaiting the dates for the public hearings, but the process of Examination is on-going. The programme for examination is overseen by the Planning Inspectorate not the Council. The programme for the next Local Plan is under review having regard to forthcoming revised National Planning Policy Framework and the on-going scoping for the countywide Joint Statutory Spatial Plan.

Summary of Performance

- 3.10 The Council reports on performance against 20 joint business plan measures and 13 key performance indicators on a monthly basis. Performance for this month is summarised in the table below. The full details, including commentary against each measure and key performance indicator can be found in Appendix 1.

Business Plan Measures and Key Performance Indicators					
Status	Description	June	%	YTD	%
Green	On target	29	88%	30	91%
Amber	Slightly off target	3	9%	3	9%
Red	Off target	1	3%	0	0%

3.11 **Spotlight On: “Keeping the District Clean”**

Each month this report will focus on a theme or service provided by the Council, highlighting how this contributes to the delivery of the strategic priorities and the key achievements delivered to date.

This month we are focusing on the Street Cleansing service. The overall Street Cleansing Services strategy to ‘Keep the District Clean’ is by having a balance between the following key priorities:-

- **Quality of service** - An efficient & responsive Street Cleansing service
 - **Educating residents** to dispose of their waste responsibly whilst making it easy for people to dispose of their waste.
 - **Enforcement action** - action against those who commit environmental crime.
- The joint Street Cleansing service is led by the Street Cleansing Manger with two supervisors and 28 staff at CDC and one supervisor and 9 staff at SNC.

The service covers many activities including litter picking, emptying bins, mechanical sweeping, Neighbourhood blitz events, clearing up after public events, graffiti & gum removal, removing dead animals from the highway, removing fly tipping, cleaning open spaces for Town & Parish Councils and offering support to Oxfordshire & Northamptonshire Highways in adverse weather events. The service is seven days/week and often we have staff in the urban centres from 06.00 -18.00.

The work of the team is influenced by the following themes:

- The growing district;
- Seasonal weather challenges;
- The balance between education and enforcement.

The service aims to deliver high customer satisfaction with the cleanliness of the district and to provide good value for money for our residents. In 2017/18 (last year's annual satisfaction survey) over 70% of CDC residents were satisfied or really satisfied with the service, an increase of 6% from the previous year. The overall cost per property for waste collection is £17 per property, per year. The regular neighbourhood blitzes are very well received by residents who participate in making Cherwell a cleaner, greener place to live.

A key part of the service strategy is education and the service works with residents and local schools in raising awareness about getting rid of waste responsibly by running successful 'Neighbourhood blitz' events, proactive social media campaigns working closely with our Communications team and carrying out 'Spring Clean' events.

Where residents fly tip, allow their dogs to foul the pavements or litter areas our enforcement team investigate and where sufficient evidence exists takes enforcement action including issuing fixed penalty notices and prosecutions.

As part of keeping the district clean strategy the service will also be concentrating on the following themes:-

- ✓ The growing district
- ✓ Seasonal challenges
- ✓ Education v enforcement balance

Risk Update

3.12 The Council maintains a Joint Leadership Risk Register that is reviewed on a monthly basis. The latest available version of the risk register at the date this report is published is included in this report.

3.13 The heat map below shows the overall position of all risks contained within the Leadership Risk Register.

Risk Scorecard – Residual Risks						
		Probability				
		1 - Remote	2 - Unlikely	3 - Possible	4 - Probable	5 - Highly Probable
Impact	5 - Catastrophic					
	4 - Major		L04, L11		L05	
	3 - Moderate			L01, L02, L03 L10, L12, L14	L06, L07, L08	L09, L13a, L13b
	2 - Minor					
	1 - Insignificant					

3.14 The table below provides an overview of changes made to the Leadership Risk Register during the past month. Any significant changes since the publication of the report will be reported verbally at the meeting.

Leadership Risk	Score	Direction	Latest Update
L01 Financial Resilience	9 Low risk	↔	Mitigation actions updated
L02 Statutory functions	9 Low risk	↔	Comments updated
L03 Lack of management Capacity	9 Low risk	↔	Comments updated
L04 CDC & SNC Local Plans	8 Low risk	↔	No change

L05 Business Continuity	16 High risk	↔	Mitigating actions and comments updated
L06 Partnering	12 Medium risk	↔	Comments updated
L07 Emergency Planning	12 Medium risk	↔	Mitigating actions and comments updated.
L08 Health & Safety	12 Medium risk	↔	No change.
L09 Cyber Security	15 Medium risk	↔	Mitigating actions updated
L10 Safeguarding the Vulnerable	8 Low risk	↔	Mitigating actions updated
L11 Income generation through council owned companies	8 Low risk	↔	No change
L12 Financial sustainability of third party third party suppliers	8 Low risk	↔	No change
L13a Local Government Reorganisation (CDC)	15 Medium risk	↔	No change
L13b Local Government Reorganisation (SNC)	15 Medium risk	↔	No change
L14 Corporate Governance	9 Low risk	↔	No change

Finance Update

- 3.15 We are continuing to develop the way we report and the ease of access and understanding of information we provide to ensure Members, and the public, are fully aware of the financial position of the Council.

In previous years financial reporting has been on a quarterly basis. This frequency of information is being improved during 2018/19. We have introduced monthly monitoring and reporting across the organisation. This improvement in reporting is providing budget managers, senior leadership and members with more up to date information regarding the financial position and outlook for the Council.

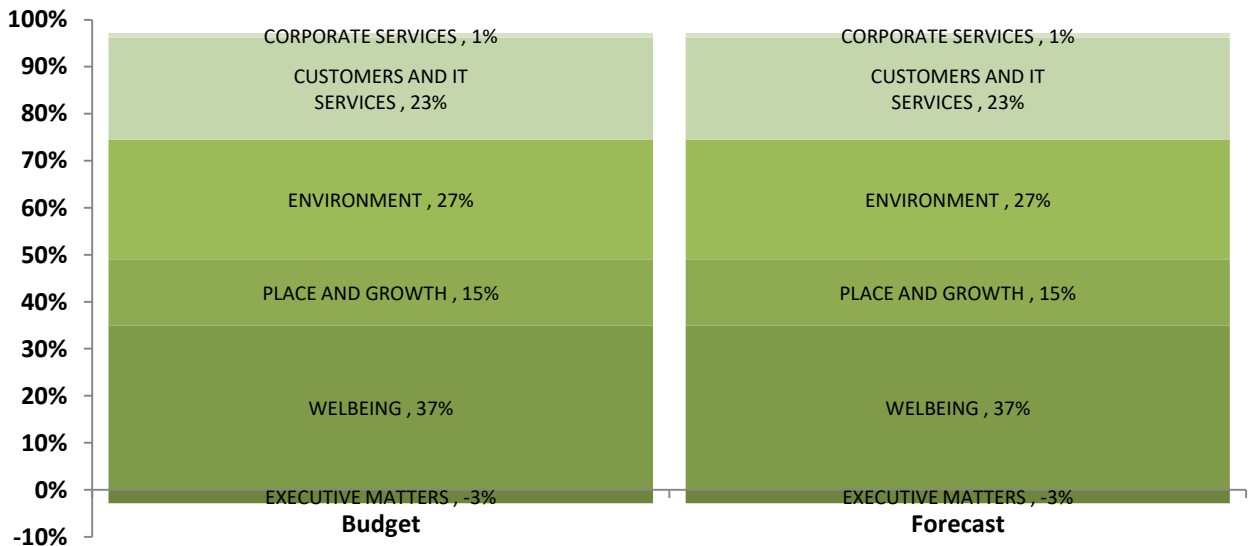
The finance team has aligned itself with the business areas to provide better support and consistency and continuity of advice moving forward across both revenue and capital budget areas in addition to monitoring any over funding levels.

The risk based monitoring undertaken to date has highlighted two areas of risk at this stage. One relates to Finance and Procurement where additional interim staff and resource has been required to manage staff changes and support the Council in meeting financial reporting deadlines for the production of the Statement of Accounts and support financial management improvements. The second risk highlighted is £10k additional spend required within HR for additional professional advice that was required to support the service. At the moment all other areas are forecasting a balanced position although there will be small variances at the detail level with no overall impact on their bottom line. Further risk to this position will be highlighted and detailed in future reports.

3.16 Revenue Position

The Council's forecast financial position is set out in the table below.

Revenue Monitoring <i>(Brackets denotes an Underspend)</i>	Budget £000's	Forecast £000's	Variance (Under) / Over £000's
Corporate Services	250	250	-
CORPORATE SERVICES TOTAL	250	250	-
Communities	2,532	2,532	-
Leisure & Sport	2,651	2,651	-
Housing	2,036	2,036	-
WELLBEING TOTAL	7,219	7,219	-
Planning Policy & Development	1,444	1,444	-
Economy & Regeneration	1,482	1,482	-
PLACE & GROWTH TOTAL	2,926	2,926	-
Environmental Services	5,217	5,217	-
Environmental Health & Licensing	(55)	(55)	-
ENVIRONMENT TOTAL	5,162	5,162	-
Law & Governance	1,198	1,198	-
Finance & Procurement	1,751	1,871	120
Property Investment & Contract Management	(3,017)	(3,017)	-
FINANCE & GOVERNANCE TOTAL	(68)	52	120
<i>Finance & Procurement £120k forecast overspend arising from interim staff costs required to support the Council in meeting financial reporting deadlines and implementing financial management improvements.</i>			
Customers & IT services	2,764	2,764	-
Strategic Marketing & Communications	326	326	-
HR, OD & Payroll	678	678	-
Performance & Transformation	594	594	-
CUSTOMERS & SERVICE DEVELOPMENT TOTAL	4,362	4,362	-
TOTAL DIRECTORATES	19,851	19,971	120
Revenue Monitoring	Budget £000's	Forecast £000's	Variance (Under) / Over £000's
Use of Reserves	4,118	4,118	-
Interest on Investments	2,074	2,074	-
Non Distributed Costs	(2,935)	(2,935)	-
Capital Charges	(4,002)	(4,002)	-
EXECUTIVE MATTERS TOTAL	(488)	(488)	-
COST OF SERVICES	19,363	19,483	120

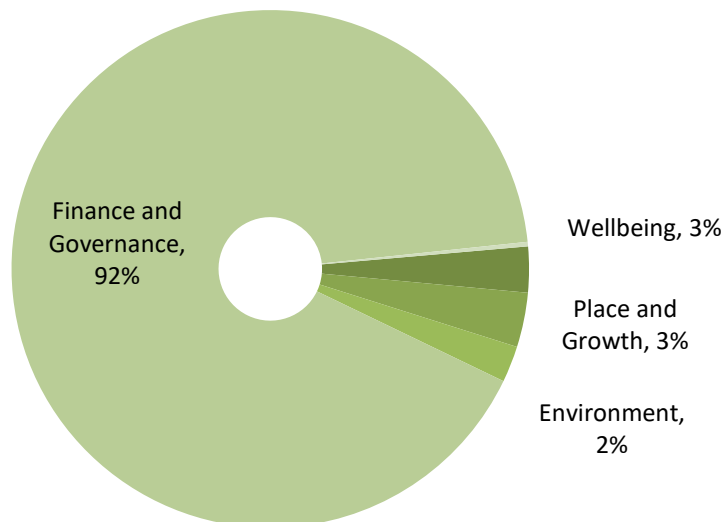


The Council is forecasting to spend in line with its overall expectations. The graph above shows that the forecast overspend for Finance and Governance will not impact upon the overall profile of spends for the Council.

3.17 Capital Programme

A summary of the capital programme forecast is set out in the table below. The detailed Capital programme is shown in the appendices to this report.

Directorate	Budget £000's	Forecast £000's	Re-Profiled into 2019/20 £000's	Variance £000's
Wellbeing	2,309	2,309	0	-
Place and Growth	2,749	2,749	0	-
Environment	1,830	1,830	0	-
Finance & Governance	73,625	73,625	0	-
Customers & Service Development	227	227	0	-
Total	80,740	80,740	0	-





Re-profiled forecast expenditure from 2017/18 has now been incorporated into the 2018/19 capital programme.

Where a capital project spans more than one financial year or there are delays to the project, re-phasing or re-profiling of expenditure may be needed. Re-profiling and phasing updates to capital projects will be identified in future reports.

The overall capital programme is currently expecting to spend to target; however, a detailed capital programme review has started. This review is being undertaken across the organisation to identify updates to the capital programme sooner. The outcome of this review along with the updated capital programme will be presented in future reports.

A capital programme working group has been set up to improve the governance surrounding the capital programme. This group has now met twice with future meetings arranged monthly to develop the oversight this group can provide. This group is made up of officers from across the organisation and the remit is to more closely monitor the projects within the capital programme, provide consistency of approach and better understanding of the whole programme. The output of this group will be reported via these monthly reports and will identify all areas of risk.

The group closely links to other boards and groups to ensure the financial risks and issues associated with all capital spend is consistently reported.

4.0 Conclusion and Reasons for Recommendations

4.1 It is recommended that the contents of this report are noted.

5.0 Consultation

5.1 This report sets out performance, risk and budgetary information from the previous month and as such no formal consultation on the content or recommendations is required.

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: This report illustrates the Council's performance against the 2018-19 business plan. As this is a monitoring report, no further options have been considered. However, members may wish to request that officers provide additional information.

7.0 Implications

Financial and Resource Implications

- 7.1 The financial implications are detailed within section 3.15 of this report.

Comments checked by:

Adele Taylor, Executive Director: Finance and Governance (Interim)

Adele.taylor@cherwellandsouthnorthants.gov.uk

0300 003 0103

Legal Implications

- 7.2 There are no legal implications from this report.

Comments checked by:

James Doble, Assistant Director: Law and Governance

James.doble@cherwellandsouthnorthants.gov.uk

0300 003 0207

Risk management

- 7.3 This report contains a full update with regards to the Council's risk position at the end of the previous month. A risk management strategy is in place and the risk register has been fully reviewed.

Comments checked by:

Louise Tustian, Team Leader: Insight Team

01295 221786

Louise.tustian@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Key Decision

Financial Threshold Met: No

Community Impact Threshold Met: No

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillors –

Councillor Richard Mould – Lead member for Performance Management

Councillor Tony Ilott – Lead member for Finance and Governance

Document Information

Appendix No	Title
Appendix 1	Monthly Performance Report
Appendix 2	2018/19 Business Plan
Appendix 3	Leadership Risk Register
Appendix 4	Capital Programme
Background Papers	
None	
Report Author	Hedd Vaughan-Evans – Assistant Director: Performance and Transformation Kelly Watson – Assistant Director: Finance and Governance
Contact Information	Tel: 0300 003 0111 hedd.vaughanEvans@cherwellandsouthnorthants.gov.uk Tel: 0300 003 0206 kelly.watson@cherwellandsouthnorthants.gov.uk