

Cherwell District Council

Executive

1 July 2019

**Monthly Performance, Risk and Finance
Monitoring Report – May 2019**

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

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.

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 2019-20 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 2019-20 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 three appendices to this report:
- Appendix 1 - 2019/20 Business Plan
 - Appendix 2 - Monthly Performance Report
 - Appendix 3 - Leadership Risk Register

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 2019-20 business plan (see Appendix 1) and the priorities of the Council.
- 3.2 The 2019-20 business plan set out three strategic priorities:
- Clean, Green and Safe.
 - 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 Business Plan Measures	Meaning for 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 / Ahead of target	Delivering to target or ahead of it.

Priority: Clean, Green and Safe.

- 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:

Preparation for the compost giveaways was well under way during May, with 3 events that happened during early June across Kidlington, Banbury & Bicester.



Cherwell collects residents' food and garden waste from their brown bins every fortnight. It is composted at high temperatures at a plant in Ardley before being distributed to farmers, contributing the resilience of local soils. Waste Recycled and Composted is reporting as delivering to plan achieving 61% this month against the target of 56%.

Walk to School Week (20/05/19) enabled Air Quality messages about how we (residents) can help improve air quality. These positive messages were posted on social media channels and the feedback from residents was positive. This supports our objective of protecting our natural environment.



Support Community Safety and Reduce Anti-Social Behaviour has seen the Community Safety Team hold community engagement events in Banbury and Bicester which had a focus on the exploitation of children by organised crime groups and county drug lines gangs. This was part of a National Crime Agency Intensification Week. The team also dealt with a service request about Anti-Social Behaviour from loud noise which resulted in the Community Safety and Environmental Protection Teams seizing stereo equipment from a property after informal attempts to have the householder reduce the volume of music played at night were unsuccessful.

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.

3.5.1 Overview of our performance against this strategic priority:

Community Resilience - The Emergency Planning and Business Continuity partnership with Oxfordshire County Council (OCC) held its quarterly meeting in May, with preparations for Brexit as the main focus point during the last quarter. The partnership has enabled OCC to invest more time in supporting the development of local community resilience plans in Cherwell, with a number now being progressed by community groups and Parish councils.

Cherwell Lottery Launch – Cherwell Lottery “Good Cause” launch event Happened on 15 May which was well attended and received, with good coverage from local media. So far 20 organisations are now signed up as “Good Cause Partners”



The number of people helped to live independently is reporting as slightly off target for the YTD, however this measure will fluctuate throughout the year. 17 disabled adaptations grants (Disabled Facilities Grants, Discretionary DFG & Extended Minor Works Grants), 7 Minor Works Grants, 14 Small Repairs Essential Repairs Grants and 0 Essential Repairs Grants.

Housing - A Banbury family is being supported into new accommodation after their former landlady was convicted of illegally renting out social housing. The conviction was the result of joint work between Oxford City Council's Oxford Investigation Service, Cherwell, and Sanctuary Housing. When the tenants were made aware that they were living in an illegally sublet property they were eager to do the right thing and promptly contacted the council and the police for advice. They are expected to move into their new home in the coming fortnight.

The % of Council tax collected and the % of Business Rates collected are both reporting as slightly behind schedule for May and YTD. However, there is a work plan in place to monitor this closely and we are only short of the target by 1%.

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:



The Hill - The rendering has been completed to the north elevation and other elevations will be completed when scaffolding has been removed next week, at which time the external windows/doors will be installed. Roof tiling to the low level area is due to be completed within the next few days. Internal plumbing and electrical installation has commenced. Underfloor heating and floor slab insulation has been completed to the main areas. The new gas supply is due to be installed commencing 10th June.

Hope Close, Banbury – 11 two and three bedroom properties for shared ownership now satisfy the Passive House Institute criteria for Certification as Low Energy Buildings, which is a major milestone. The houses will provide extremely low energy bills for 11 families. A demonstration showhouse is being set up and marketing to commence at the end of summer.

The Admiral Holland site - Started on site at the end of May. Edgar Taylor have erected new hoarding to include the car parking and the initial excavation work has commenced. The former pub site will provide 6 one bedroom flats, 7 two bedroom houses and 1 three bedroom house.

Creampot Crescent, Cropredy – An individual 3 bedroom house due for completion in July will provide a shared ownership family home in a rural location.

Eco Business Centre, Bicester – We have appointed Town Square Spaces Ltd (TSS) to operate the new Perch Eco Business Centre in Elmsbrook, North West Bicester. Following a competitive tender process, TSS was chosen by the council to manage and run the centre. One of two co-working spaces in the town, the Perch Eco Business Centre will provide office space and support start-ups and small businesses. It is situated in the Elmsbrook development in Bicester which benefits from easy access to London, with five regular, non-stop trains running every hour from Bicester North station.



Summary of Performance

3.10 The Council reports on performance against 21 business plan measures and 15 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 2.

Business Plan Measures and Key Performance Indicators (36)					
Status	Description	May	%	YTD	%
Green	On target	31	86%	31	86%
Amber	Slightly off target	3	8%	4	11%
Red	Off target	2	6%	1	3%

3.11 **Spotlight on: Planning – Robert to send**

Risk Update

- 3.12 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.
- 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			L09		
	4 - Major		L10 & L12	L07 & L11		
	3 - Moderate			L01, L02, L04, L05, L14	L03, L08 & L15	L13
	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	DoT	Latest Update
L01 Financial Resilience	9 Low risk	↔	Risk Review completed 10/06 – No changes.
L02 Statutory functions	9 Low risk	↔	
L03 Lack of Organisational Capacity (was Lack of management Capacity)	12 Medium risk	↔	Risk Review completed 10/06 – No changes.
L04 CDC Local Plan (was Local Plan)	9 Low risk	↑	Risk Review completed 06/06 – Residual score increased from 8 to 9 due to delay with JSSP & Local Plan.
L05 Business Continuity	9 Low risk	↔	Risk Review completed 07/06 – comments updated.
L06 Partnering	12 Medium risk		REMOVED
L07 Emergency Planning	12 Medium risk	↔	Risk Review completed 07/06 – mitigating actions updated.
L08 Health & Safety	12 Medium risk	↔	Risk Review completed 07/06 – comments updated.
L09 Cyber Security	15 Medium risk	↔	Risk Review completed 03/06 – mitigating actions updated.
L10 Safeguarding the Vulnerable	8 Low risk	↔	Risk Review completed 07/06 – comments updated.
L11 Sustainability of Council owned companies and delivery of planned financial and other objectives. (was Income generation through council owned companies)	12 Medium risk	↔	Risk Review completed 10/06 – No changes.
L12 Financial sustainability of third-party suppliers including contractors and other partners (was Financial sustainability of third-party suppliers)	8 Low risk	↔	Risk Review completed 10/06 – No changes.
L13 Separation and Joint Working (was Local Government Reorganisation)	15 Medium risk	↔	Risk Review completed 10/06 – comments updated.

L14 Corporate Governance	9 Low risk	↔	Full review completed.
L15 Oxfordshire Growth Deal	12 Medium risk	↔	Risk Review completed 12/06 – comments updated.

The full Leadership Risk Register update can be found in Appendix 3. There is one score change for May, please note **L04** Local Plan has increased from 8 to 9 further detail can be found in Appendix 3.

3.15 Finance Update (Revenue and Capital)

During the budget setting process for 2019/20 we reviewed any budget variances in-year that were known at that time and where the financial variations relating to structural issues, these were realigned during that process, as appropriate.

3.16 Revenue Position

The Council's forecast financial position is set out in the table below. Overall, for the financial year 2019/20 Cherwell District Council has a projected an overspend of £230k.

For more detail on the movements across all budgets please see the table below. These detail the main reasons for the variances in 2019/20.

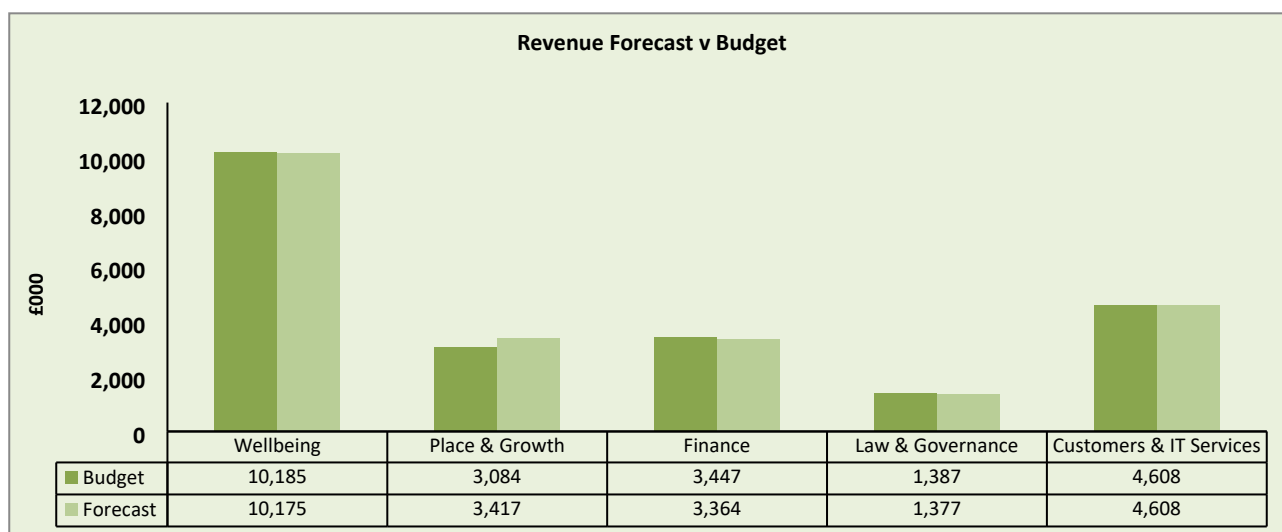
Revenue Monitoring <i>(Brackets denotes an Underspend)</i>	Budget £000	Forecast £000	Current Month Variances £000	Prior Month Variances £000
Communities	1,322	1,322	-	0
Leisure & Sport	791	756	(35)	(35)
Housing	2,047	2,019	(28)	0
Environmental Services	4,972	5,025	53	45
Environmental Health & Licensing	1,053	1,053	-	0
WELLBEING TOTAL	10,185	10,175	(10)	10
<p><i>Leisure & Sport: (£35k) Underspend on salaries due to changes in service delivery. Housing: (£28k) Salary savings due to changes in structure. Environmental Services: £53k Gate fee increase to £8 per tonne amounting to £85k and (£32k) salary vacancies within Waste Collection and Street Cleansing.</i></p>				
Planning Policy & Development	1,447	1,530	83	83
Economy & Regeneration	1,637	1,887	250	269
PLACE & GROWTH TOTAL	3,084	3,417	333	352
<p><i>Planning Policy & Development: £83k relating to agency costs. Economy & Regeneration: £250k made up of £100k consultancy costs, £150k relating to Build! And properties yet to be occupied.</i></p>				
Finance	2,127	2,087	(40)	30
Property	(1,102)	(1,102)	-	0
Finance Total	1,025	985	(40)	30

Finance: (£40k) consists of (£15k) Internal Audit Fees, (£45k) for external audit fees, £70k Interim Executive Director post, rent allowances underspend of (£50k) mainly due to Universal Credit.

Law & Governance	1,387	1,377	(10)	0
Law & Governance Total	1,387	1,377	(10)	0
Law & Governance: (£10k) relating to joint OCC Director of Law & Governance.				
Customers & IT services	2,543	2,543	-	0
Strategic Marketing & Communications	391	391	-	0
HR, OD & Payroll	751	751	-	0
Performance & Transformation	457	457	-	0
Corporate Services	466	466	-	0
CUSTOMERS & IT SERVICES TOTAL	4,608	4,608	0	0
TOTAL DIRECTORATES	20,289	20,562	273	392
Investment Costs	2,955	2,955	-	-
Interest Receivable	(563)	(606)	(43)	-
Interest from Graven Hill	(2,593)	(2,593)	-	-
Pension Costs	237	237	-	-
Appropriations For Transfer To Reserves	4,402	4,402	-	-
Appropriations For Transfer From Reserve	(3,516)	(3,516)	-	-
Capital Charges	1,500	1,500	-	-
EXECUTIVE MATTERS TOTAL	2,422	2,379	(43)	0
Interest Receivable: (£43k) due to new loan given to Crown House.				
COST OF SERVICES	22,711	22,941	230	392

Funding <i>(Brackets denotes an Underspend)</i>	Budget £000	Forecast £000	Current Month Variances £000	Prior Month Variances £000
Business Rates Retention	(10,760)	(10,760)	-	-
Revenue Support Grant	(114)	(114)	-	-
Transfer to parish Councils for CTRS	349	349	-	-
Transition Grant	0	0	-	-
FORMULA GRANT EQUIVALENT	(10,525)	(10,525)	-	-
New Homes Bonus	(5,087)	(5,087)	-	-
GRANTS AWARDED TOTAL	(5,087)	(5,087)	-	-
Council Tax	(6,923)	(6,923)	-	-
Collection Fund	(176)	(176)	-	-
COUNCIL TAX INCOME TOTAL	(7,099)	(7,099)	-	-
TOTAL INCOME	(22,711)	(22,711)	-	-
Reserve management			0	
(Surplus)/Deficit			230	392

The graph below shows the overall variance by Directorate and compares the budget to the forecast end of year position.



3.17 Capital Programme

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

The budget for 2019/20 is £93m. Overall, we are projecting an underspend in year by (£696k) further detail can be found in the table below:

Directorate	Budget £000	Forecast £000	Re-profiled beyond 2019/20 £000	Current Period Variances £000	Prior Period Variances £000
Wellbeing, Environmental & Regulatory	5,270	4,572	30	(668)	0
Place & Growth	29,855	29,855	0	-	0
Customers & Service Development	987	987	0	-	0
Finance Services	56,673	56,645	0	(28)	0
Total	92,785	92,059	30	(696)	-

Current Period Variances:

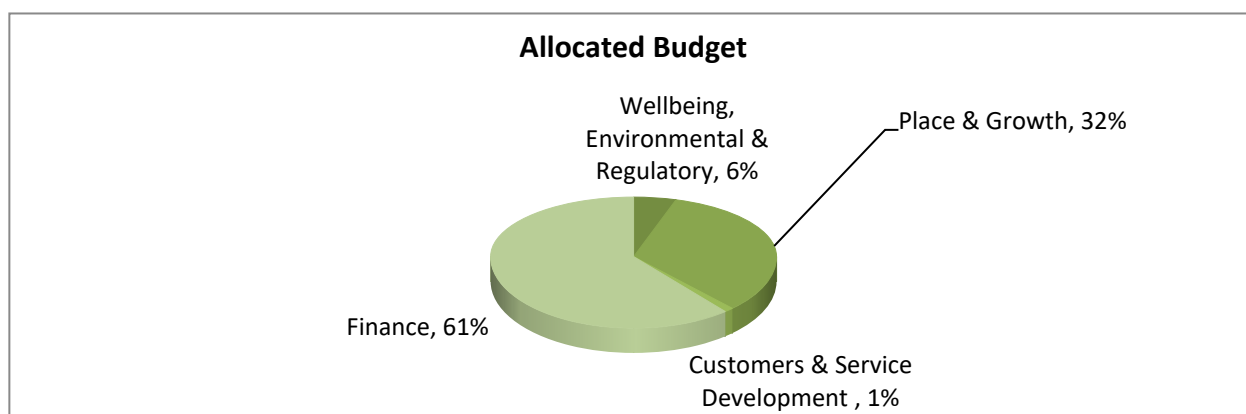
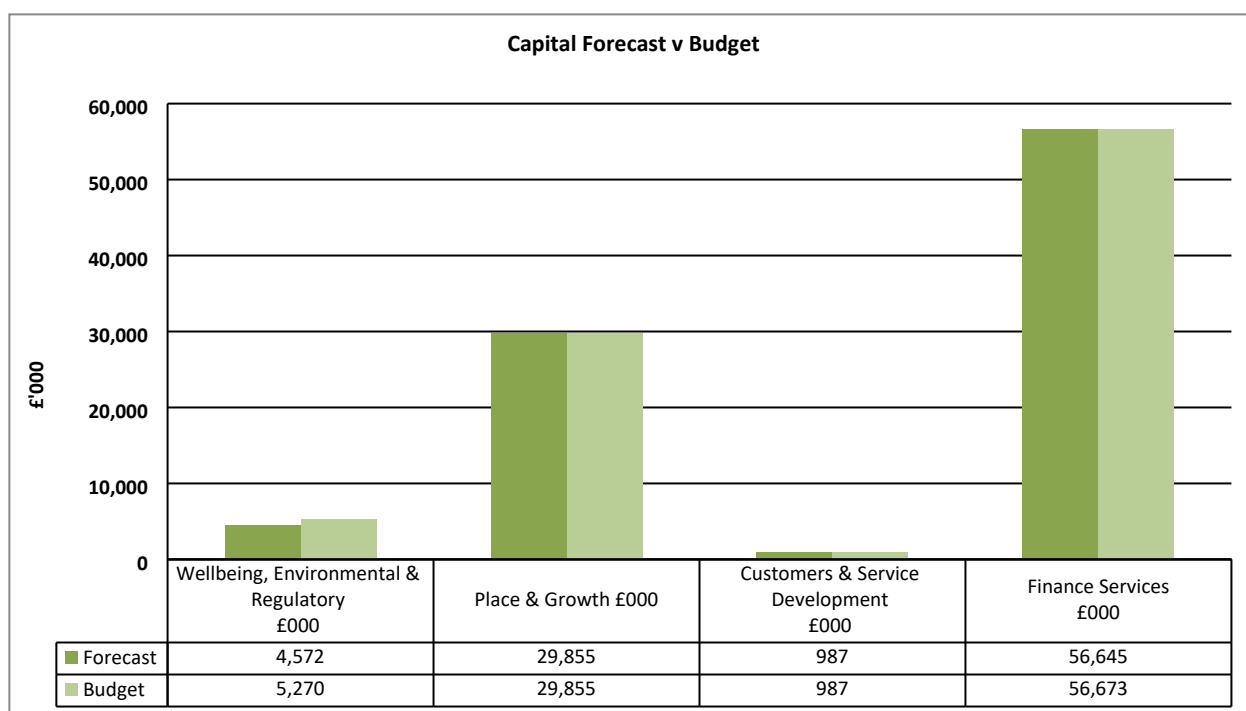
Wellbeing, Environmental & Regulatory Services: (£668k) budgets no longer required for Sunshine Centre (£22k), Biomass Heating Bicester Leisure Centre (£14k), Solar Photovoltaics at Sports Centre (£80k), Abritas Upgrade project (£33k), Discretionary Grants Domestic Properties (£546k), Glass Recycling Bank spend not budgeted for £7k, and potential overspend of £20k on vehicle replacement programme.

Finance Services: £28k relating to New E-tendering Portal for procurement no longer required (£30k), additional small works on site that we acquired in 18/19 £15k and potential small underspends on the following projects Thorpe Place Industrial Units (£5k), Thorpe Way Industrial Units (£4k), Thorpe Lane Depot Tarmac/Drainage (£4k)

Re-profile beyond 2019/20:

Wellbeing, Environmental & Regulatory Services:

£30k Spiceball Leisure Centre Bridge Resurfacing is part of the CQ2 project. Could potentially roll into 2020/21.



3.18 Reserves

The reserves as at 31 March 2019 are detailed below and subject to Audit.

CDC Earmarked Reserves

Reserves	Service Owner	Purpose	Estimated Balance 31-Mar-19
General Fund Reserves:			£000
Building Control	Paul Feehilly	To manage the trading account for Building Control	(24)
Country Park Reserve	Graeme Kane	This reserve is used to fund major improvement works at the County Parks	(100)
Elections	Nick Graham	The reserve has been set up to recognise that standalone district elections are now annual in all wards.	(253)

Environmental Warranties	Adele Taylor	The reserve is in place to protect the council against potential asbestos claims in Sanctuary Homes	(1,000)
Hanwell Fields Open Space	Paul Feehilly	This reserve has been created from S106 monies and will be used towards the cost of the maintenance on Hanwell Fields open space as required	(79)
Housing Reserve	Graeme Kane	The reserve is to be used to support the delivery of a Single Person's Housing Strategy including the development and management of single person's housing units in Cherwell.	(114)
Work in Default reserve	Graeme Kane	This reserve has been set up to cover the cost of emergency enforcement as required	(100)
Local Plan Charges	Paul Feehilly	The reserve has been created to fund the one-off costs associated with the provision of the Local Plan	(124)
NHB - Affordable Housing	Graeme Kane	The reserve has been created from New Homes Bonus grant income and will be used on the strategic housing projects	(1,063)
NHB - Economic Development	Paul Feehilly	The reserve has been created from New Homes Bonus grant income and will be used to fund the costs of Economic Growth projects across the district	(2,527)
NHB - Superfast Broadband	Paul Feehilly	The reserve has been created from New Homes Bonus grant income and will be used to fund the costs associated with the Better Broadband for Oxfordshire programme	(727)
Planning Control	Paul Feehilly	This reserve will be used to fund the costs associated with major planning applications where the costs fall over more than one financial year	(259)
Business Rates and Risk reserve	Adele Taylor	This reserve is to mitigate risks arising from business rates volatility and general risks facing the organisation	(1,752)
Sainsbury's Primary Authority	Graeme Kane	This reserve is to fund the commercial projects within public protection	(55)
Self Insurance	Adele Taylor	This reserve holds self-insurance for small items that are otherwise not insured.	(137)
VAT Deminimus	Adele Taylor	This reserve has been set up to protect the council against the risk of breaching the VAT deminimus level of 5%	(500)
Welfare Reform	Belinda Green	The reserve is to fund potential repayments of overpaid benefit subsidy and to cover any potential costs associated with Welfare reform and Benefits	(99)
Horton General Towns	Graeme Kane	The reserve will be used to fund the cost of the Horton Hospital review	(84)
Pensions Deficit	Adele Taylor	To mitigate the cost of the pension deficit at the next triannual review	(1,814)
Graven Hill	Adele Taylor	Equalisation reserve for Graven Hill	(1,529)
Art Development	Graeme Kane	Art development reserve.	(52)
CCTV	Graeme Kane	The reserve will be used to fund the potential cost of CCTV	(27)
Broadfield Road Yarnton Sports	Graeme Kane		(4)
Castle Quay	Adele Taylor	The reserve is to manage the volatility of income and for reinvestment into Castle Quay	(80)

Bicester reserve	Paul Feehilly	To assist the Council with funding Bicester projects	(403)
Eco Town Revenue	Paul Feehilly	The reserve is used to fund Eco Town project as monitored by Place Programme and Project Board	(88)
Corporate and Commercial Reserve	Adele Taylor	To assist the council with funding the costs associated with corporate transformation and commercial investment projects	(6,052)
Brexit	Adele Taylor		(17)
Member Services			(12)
Sub-total			(19,076)
Earmarked Reserves from Grants & Contributions:			
Area Based Grant	Graeme Kane	This reserve supports the work in community consultation and engagement	(83)
Bicester Fields Main Park	Graeme Kane	The reserve has been generated from S106 monies and will be used as maintenance funds to be used on an ongoing basis	(97)
Brighter Futures - Skills Reward Grant	Graeme Kane	Projects for early years, employment support and skills, family support & young people, financial inclusion & housing, health & well-being, safer & stronger communities	(17)
Bicester Garden Town	Paul Feehilly	The reserve is for initiatives and studies pertaining to the development of Bicester as a Garden Town	(1,005)
Oxfordshire Youth Arts Partnership and Bicester Arts	Graeme Kane	Supporting the cultural development of the town over the medium term	(104)
Eco Town Revenue	Paul Feehilly	The reserve is used to fund Eco Town project as monitored by Place Programme and Project Board	(30)
Flood Recovery Grant	Nick Graham	The reserve has been created to cover the cost of emergency planning contingencies	(40)
Green Deal Pioneer Places	Paul Feehilly	The reserve has been created from a ring fenced grant which is used on projects relating to the Government's Green Deal initiative	(67)
Home Improvement Agency	Graeme Kane	This reserve is for covering the costs of Home Improvement Agency Projects as required	(221)
Homelessness Prevention	Graeme Kane	The reserve has been created from ring fenced grant to be spent in conjunction with Service Level Agreements with partnerships in conjunction with Cherwell's Homeless Action Plan	(486)
New Burdens Grant	Adele Taylor	The reserve has been created from various government grants awarded to fund any additional costs associated with administering new government initiatives	(248)
Performance Reward Grant ABG	Graeme Kane	This is CSP money that is not to be spent without the permission of the CSP.	(21)
Police & Crime Commissioner	Graeme Kane	The reserve is created from ring-fenced grant to be spent on specific projects to be approved by the Community Safety Partnership	(64)
Thames Valley Police	Graeme Kane	This reserve is being used to fund the cost of CCTV replacement.	(28)
Sportivate Initiatives	Graeme Kane	The reserve has been created for Sportivate activities to research and pilot projects to engage inactive residents.	(55)

Housing and Planning Initiatives	Paul Feehilly	This reserve supports work within Housing and Planning to support one-off costs associated with growth within the District	(322)
Laburnham Cres Ambrosden	Paul Feehilly	The reserve has been generated from S106 monies and will be used as maintenance funds to be used on an ongoing basis	(38)
Sub-total			(2,982)
Total Earmarked Reserves			(22,059)
General Fund Balance			(1,001)
Useable Reserves			(23,060)

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 2019-20 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 Financial implications are detailed within section 3.15 to 3.18 of this report.

Comments checked by:

Adele Taylor, Executive Director Finance (Interim)
Adele.taylor@cherwellandsouthnorthants.gov.uk
0300 003 0103

Legal Implications

7.2 There are no legal implications from this report.

Comments checked by:

Nick Graham, Monitoring Officer: Law and Governance
Nick.Graham@cherwell-dc.gov.uk

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
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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 Appendix 2 Appendix 3	2019/20 Business Plan Monthly Performance Report Leadership Risk Register
Background Papers	
None	
Report Author	Hedd Vaughan-Evans – Assistant Director: Performance and Transformation
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