

Cherwell District Council

Executive

7 October 2019

<p>Monthly Performance, Risk and Finance Monitoring Report – August 2019</p>

Report of Executive Director: Finance (Interim) 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 four appendices to this report:

- Appendix 1 - 2019/20 Business Plan
- Appendix 2 - Monthly Performance Report
- Appendix 3 - Leadership Risk Register
- Appendix 4 - Capital

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:



Bretch Hill Neighbourhood blitz carried out in the 2nd half of August. Over 600 properties had recycling packs and stickers added to bins with the view to improve the quality of recycling. Additional resources were committed to the area, including extra mechanical sweeping.

Banbury Public Spaces Protection Order Consultation was launched and promoted in August, and closed on 11 September. The Order covers the town centre - including People's Park - and was brought into effect in November 2016 for a three-year period; the Community Safety Team attended the town centre to speak with visitors and businesses in the area to seek their views about extending the order.



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.

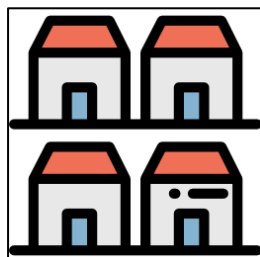
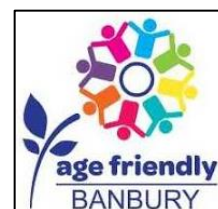
Overview of our performance against this strategic priority:



Leisure facilities improvements delivered - The improvement works for the Learner and Main Pools at Spiceball Leisure Centre were completed during August. Also, the replacement of the fencing/hockey goal stores at the Cooper Sports Facility, as part of the Joint use agreement with the school, has been completed to a high standard and will ensure community use for a minimum of ten years on this site. The facility re-opened on Tuesday 27 August.

The number of visits/usage of District Leisure Centre is reporting Amber for August and Year to Date. Throughputs across all of the Leisure Facilities demonstrated generally a positive position given the continued closure of the Swimming Pools at Spiceball Leisure Centre for part of August.

Community engagement – The pop up Age Friendly consultation event was delivered on the 22nd of August at Castle Quay, focusing on the 4 key themes of Age Friendly Banbury: Getting Connected, Getting About, Town Centre and Wellbeing & Community Services; allowing residents to have their say in these areas. The feedback will be used at the next focus group meetings for stake holders to discuss.



Number of people helped to live independently through the use of DFG and other grants/loans is reporting Amber for August and Green for Year to Date, 42 households during the month; 11 by means of disabled adaptations grants (larger jobs) and 31 through smaller works. This month's figure is a little below the monthly target of 45 but the monthly average for the year to-date, at 48, remains above target.

Play:Full initiative to tackle holiday hunger was delivered throughout the summer school holidays, making sure children across the Brighter Futures wards are well-fed every day.



Delivery of affordable housing in line with CDC and Growth Deal targets is delivering Amber for August and Year to Date. A total of 32 affordable homes were completed in August. The actual number delivered, falls short of the projected target in this month. The reduction in completed units is due to delays in developer building programmes, delays in getting services connected to the homes and Registered Providers not accepting the units from developers due to works still being required in order to meet the necessary build quality standards. These units will be delivered in 2019/20 but quality assurance is important, a higher number of affordable homes are expected to be completed in September.

% of Council Tax collected, increase Council Tax Base is reporting Amber for August and Year to Date. The in month collection has dropped slightly in August however all reminders, finals and summonses have been issued with proactive recovery taking place on those customers with court orders. We are making outbound calls during the day and evening to reduce the arrears balance. Cherwell is also experiencing an increase of new properties and whilst the customers are being issued with bills as soon as possible after the Valuation Office Agency notify us of the banding the customer is still entitled to pay their bill by instalments and therefore, they are always playing catch up.

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:



Hope Close drop-in open day Deliver Innovative and Effective Housing Schemes is reporting Amber for August and Year to Date. The marketing for Hope Close in Banbury was launched on the 31 Aug; one purchaser has already expressed an interest in one of the 11 properties with another one following up. Cropredy property is under offer waiting for completion of sale.

Bicester Town Centre Development - Following the successful Bicester Town Centre workshop with Bill Grimsey, a task group of volunteers from the event has been meeting weekly to produce a framework plan for the town centre, to be reported back to stakeholders.



Deliver the Local Plan is reporting Amber for August and Year to Date. The Partial Review of the Local Plan (which seeks to help Oxford with its unmet housing need) is being independently examined. On 10 July 2019, the appointed Planning Inspector gave his preliminary views. While he is content with the Plan's overall strategy, he has recommended the deletion of a proposed strategic housing allocation (land to the south east of Woodstock) and requested additional work for the re-distribution of the affected 410 homes. Officers are working to prepare 'Main Modifications' which will be consulted upon before formal submission to the Inspector at the end of the year.

Summary of Performance

3.10 The Council reports on performance against 21 business plan measures and 15 key performance indicators on a monthly basis. 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	August	%	YTD	%
Green	On target	29	81%	29	81%
Amber	Slightly off target	7	19%	6	17%
Red	Off target	0	0%	1	2%

3.11 **Spotlight on: Wellbeing - Healthy Communities Team**

The Wellbeing team has four constituent services Healthy Communities, Leisure Facilities, Sport and Physical activity and Community Development. The Healthy Communities team deliver these services on behalf of Cherwell District Council, they take care of some of the following activities and programmes:

- Partnership working - Local Strategic Partnership, Parish Liaison, Community Partnership Network.
- Armed Forces Community Covenant.
- Better Mental Health Concordat.
- Assets of Community Value.
- Strategic commissioning – Volunteering, Community Transport, Social Prescribing, Village good neighbour schemes, Community Planning and support for Communities own social action projects.
- Cherwell Lottery.
- Leisure and Community Infrastructure planning and implementation of development funded by s106.
- Grant funding: Spark Fund, Community Infrastructure Grants.
- Cherwell staff volunteering scheme.



Cherwell supports a vibrant and thriving voluntary sector in its objectives, recognising that residents live in communities and those communities are best served when there are opportunities to volunteer and support each other as neighbours and partners.



Cherwell has a long standing collaboration with Citizens Advice locally and through a service level agreement supports the delivery of Volunteer Connect - a service that puts volunteers in touch with organisations that need them as well as encouraging more people to give time to volunteering.

Keeping track of volunteers, responding directly to organisations has been improved by the link with Oxfordshire volunteers where 38 people have registered and the use of social media to target volunteering opportunities to potential support is proving positive with 21 individuals offering on average 3 hours a week secured for local voluntary and charitable organisations.



This is also the banner under which the volunteer driver scheme operates, with 52 drivers covering 985 journeys (April – July). This projects to 3000 journeys for 2019/20. The agreed definition of a Journey is a round trip home-destination-home and destinations can be doctor and hospital appointments as well leisure trips and shopping.



Support for the voluntary sector is also being extended by the launch and delivery of the Cherwell Lottery. This is a registered scheme with the Gambling commission and open to all constituted voluntary organisations and local charities. The premise being that small organisations ask their supporters to buy a lottery ticket on an ongoing basis- they keep 50% of that purchase price - the remainder goes to prizes, professional scheme administration provided by Gatherwell and the establishment of a community grants pot that Cherwell will distribute to participating organisations on a competitive bid process. The lottery has 51 groups taking part in it at present and will be heavily promoted in the autumn to increase the number of players and participating groups.

The healthy communities' team also oversee the staff volunteering scheme which was launched earlier in the year and provides two days (pro rata) for staff to volunteer for a local organisation and provide additional support.

So far, a dozen staff have made requests from supporting the first Bodicote scouts on their annual camp to litter picking to assisting wildlife activities. Other staff from the wellbeing team and the Bicester team volunteered for the Bicester Festival which was a great weekend on 20, 21 and 22 September.



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	Dir'n	Latest Update
L01 Financial Resilience	9 Low risk	↔	Risk reviewed 04/09 - Control assessment updated.
L02 Statutory functions	9 Low risk	↔	Risk Reviewed 12/09 – No changes.
L03 Lack of Organisational Capacity	12 Medium risk	↔	Risk Reviewed 11/09 – Mitigating actions and commentary updated.
L04 CDC Local Plan	9 Low risk	↔	Risk Reviewed 09/09 – Commentary updated and additional information.
L05 Business Continuity	9 Low risk	↔	Risk Reviewed 12/09 – Comments updated.
L06 Partnering	12 Med risk		REMOVED
L07 Emergency Planning	12 Med risk	↔	Risk Reviewed 12/09 – Comments updated.
L08 Health & Safety	12 Med risk	↔	Risk Reviewed 10/09 – Mitigating actions updated.
L09 Cyber Security	15 Med risk	↔	Risk Reviewed 02/09 – Mitigating actions updated.
L10 Safeguarding the Vulnerable	12 Med risk	↔	Risk Reviewed 04/09 – No changes.
L11 Sustainability of Council owned companies and delivery of planned financial and other objectives.	12 Med risk	↔	Risk Reviewed 04/09 – No changes.
L12 Financial sustainability of third-party suppliers including contractors and other partners	8 Low risk	↔	Risk Reviewed 12/09 – No changes.
L13 Separation and Joint Working	15 Med risk	↔	Risk Review completed 11/09 – Mitigating actions and commentary updated.
L14 Corporate Governance	9 Low risk	↔	Risk Review completed 12/09 – No changes.
L15 Oxfordshire Growth Deal	12 Med risk	↔	Risk Review completed 09/09 – Risk owner and commentary updated.

The full Leadership Risk Register update can be found in Appendix 3. There are no score changes for August, further detail can be found in Appendix 3.

3.15 Finance Update (Revenue and Capital)

3.16 Revenue Position

The Council has completed a light touch review of the overall finances this month and updated its forecast financial position for the period up to the end of August as set out in the tables and information below. In the last month a comprehensive review was undertaken and there has been a focus from managers and the finance team on preparing the draft budget proposals in line with the first deadline of 13 September.

The projected forecast for 2019/20 is a small reduction in the overspend to £48k from £68k in the last month, as is shown in the table below. The Council's funding continues to benefit from lower interest rates in the wider financial markets, increasing the forecast underspend to £1.485m from £1.001m in the last month. The Council is likely to seek to transfer this one off beneficial position to reserves, leaving the Council in a broadly balanced position.

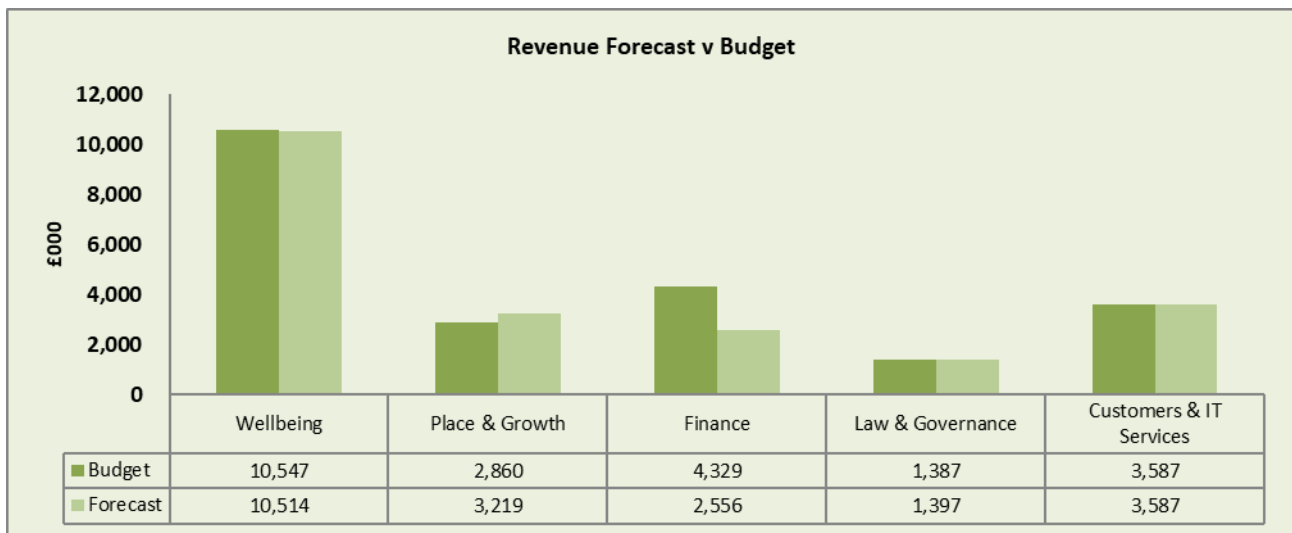
At the end of August, the overall Council forecast has therefore improved to a net underspend of £1.437m in overall terms, as shown in the table below:

Revenue Monitoring <i>(Brackets denotes an Underspend)</i>	Budget £000	Forecast £000	Current Month Variances £000	Prior Month Variances £000
Communities	1,685	1,718	33	33
Leisure & Sport	791	776	(15)	(15)
Housing	2,047	1,987	(60)	(60)
Environmental Services	4,660	4,749	89	90
Environmental Health & Licensing	1,364	1,284	(80)	(80)
WELLBEING TOTAL	10,547	10,514	(33)	(32)
<p>Communities: £33k overspend on salaries due to changes in service delivery (including recharges)</p> <p>Housing: (£60k) underspend due to salary savings as a result of changes in structure.</p> <p>Environmental Services: £89k Gate fee increase to £8 per tonne amounting to £93k, savings of (£35k) on salaries offset by restructuring costs of £35k.</p> <p>Environmental Health & Licensing: (£80k) Salary savings due to changes in structure and vacancies</p>				
Planning Policy & Development	1,447	1,714	267	267
Economy & Regeneration	1,758	1,800	42	42
Build! Programme	(345)	(295)	50	50
PLACE & GROWTH TOTAL	2,860	3,219	359	359
<p>Planning Policy & Development: £87k relating to agency costs. £180k under recovery of Planning fee income</p> <p>Economy & Regeneration: £42k consultancy costs</p> <p>Build! Programme: £50k under recovery of income due to a delay in Hope Close shared Ownership scheme</p>				
Finance	2,860	2,822	(38)	(19)
Property	(940)	(1,190)	(250)	(250)
Finance Total	1,920	1,632	(288)	(269)
<p>Finance: Underspend on external & internal audit, overspend on bank charges.</p> <p>Property: £250k underspend on a variety of functions, such as security, maintenance and vacancies.</p>				
<p>Note: additional income for Tramway and Castle Quay ringfenced directly to reserves due to uncertainty at this stage.</p>				
Law & Governance	1,387	1,397	10	10
Law & Governance Total	1,387	1,397	10	10
<p>Law & Governance: - Overspend in District Elections largely offset by staffing recharges</p>				
Customers & IT services	1,903	1,903	-	0
Strategic Marketing & Communications	391	391	-	0
HR, OD & Payroll	730	730	-	0
Performance & Transformation	457	457	-	0
Corporate Services	106	106	-	0
CUSTOMERS & IT SERVICES TOTAL	3,587	3,587	0	0

TOTAL DIRECTORATES	20,301	20,349	48	68
Investment Costs	2,955	2,242	(713)	(346)
Interest Receivable	(563)	(642)	(79)	(80)
Interest from Graven Hill	(2,593)	(3,286)	(693)	(575)
Pension Costs	237	237	-	-
Appropriations For Transfer To Reserves	4,402	4,402	-	-
Appropriations For Transfer From Reserve	(3,529)	(3,529)	-	-
Capital Charges	1,500	1,500	-	-
EXECUTIVE MATTERS TOTAL	2,409	924	(1,485)	(1,001)
Treasury Management - active management resulted in beneficial interest rates and slower levels of borrowing significantly improving forecasted position. <i>Interest Receivable: (£79k) due to new loan given to Crown House.</i>				
COST OF SERVICES	22,710	21,273	(1,437)	(983)

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			(1,437)	(983)

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 (£189k) which is a decrease on the previous month, the majority of this relates to the reprofiling of a project into 2020/21 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	4,608	472	(190)	(190)
Place & Growth	30,155	30,159	0	4	(300)
Customers & Service Development	831	832	0	1	4
Finance Services	56,673	52,570	4,099	(4)	(5)
Total	92,929	88,169	4,571	(189)	(491)

Current Period Variances:

Wellbeing, Environmental & Regulatory Services: (£190k) budgets no longer required for Sunshine Centre (£22k), Biomass Heating Bicester Leisure Centre (£14k), Solar Photovoltaics at Sports Centre (£80k), Abrisas 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: (£4k) relating to: New E-tendering Portal for procurement no longer required (£30k), Tramway site small additional works required amounting to £15k, Thorpe Way Roof Repairs (£2k) project complete, (£22k) Retained Land budget no longer required, (£2k) Condition works Survey works project complete. Franklins House Travelodge (£25k), Asbestos Surveys £60k - some reprofiling. £2k over on BYHP Separation.

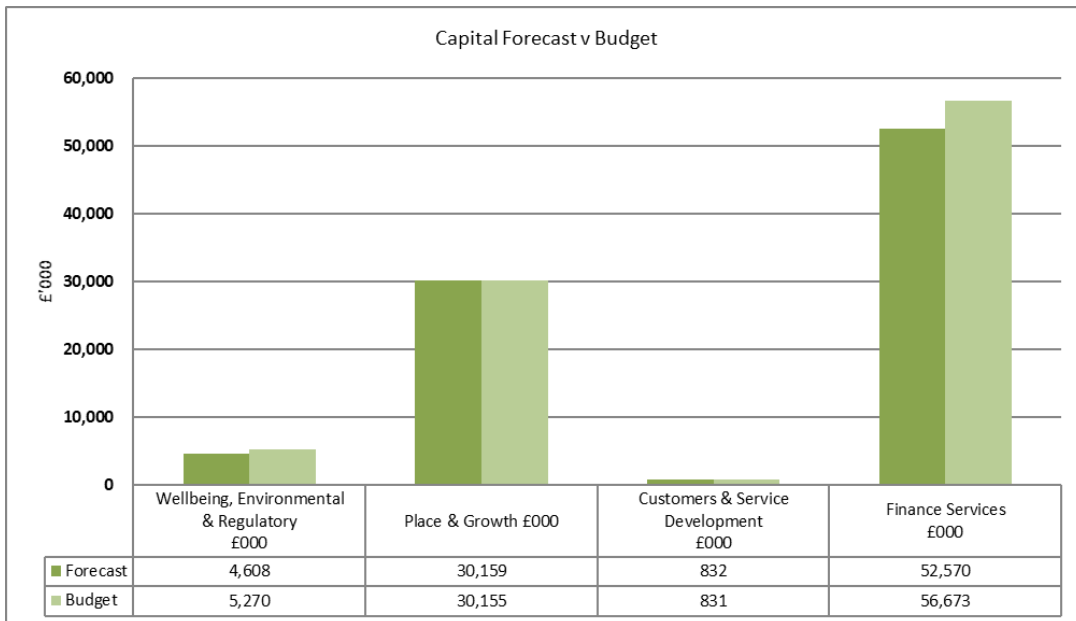
Re-profile beyond 2019/20:

Wellbeing, Environmental & Regulatory Services:

£30k Spiceball Leisure Centre Bridge Resurfacing is part of the CQ2 project. Could potentially roll into 2020/21. £442k disables facilities Grants - will roll forward what is not used as is better care fund money and can't be used for anything else.

Finance Services:

£153k Banbury Health Centre, project currently paused as lease discussions with tenants. £3,636k for CQ1 ongoing. £210k reprofiled for Surveys works - will spend full once scope identified. £100k for CDC feasibility, nothing forecast in current year.



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@cherwell-dc.gov.uk
0300 003 0103

Legal Implications

7.2 There are no legal implications from this report.

Comments checked by:

Nick Graham, Director: 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, Acting Performance & Communications Manager
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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 Illott – Lead member for Finance and Governance

Document Information

Appendix No	Title
Appendix 1 Appendix 2 Appendix 3 Appendix 4	2019/20 Business Plan Monthly Performance Report Leadership Risk Register Capital
Background Papers	
None	
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