

Cherwell District Council

Executive

4 November 2019

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

The Banbury Public Spaces Protection Order consultation was live between 5th August and 11th September 2019; with a total of 738 responses, providing the Community Safety Team with a statistically sound number and rich data to analyse and provide evidence to develop a decision paper on the potential renewal of the Banbury Public Spaces Protection Order, that will be prepared for a decision of the Executive in November.



Protect the Built Heritage is reporting Amber for September and Year to Date, but the Conservation team continues to work closely with Development Management on cases of heritage interest. The Conservation Area Appraisal programme is on-going. A consultation event took place for Duns Tew on 16 September 2019 and for Balscote on 23 September 2019. Further work will need to progress as soon as possible to ensure completion of the work programme by the end of March 2020.

Partnership work to tackle environmental crime – The Environmental Enforcement Team continues to work with the street cleansing teams to provide an increased focus on town centre problem areas, with assessments on local fly tipping hot spots to be undertaken in the coming months. Also, the Team will be supporting the Rural Crime Partnership initiative led by Thames Valley Police, in an effort to tackle and investigate rural crime focusing on engagement with the community, intelligence, enforcement and prevention.



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:

Preventing homelessness - the number of households requiring temporary accommodation continues to decrease in the district; allowing the Housing Team to be flexible to offer support beyond the statutory requirements of homeless legislation and increasing the opportunity for vulnerable households to receive support and secure a permanent accommodation. Going into the winter months, the housing team is looking to secure further resources



to be able to offer accommodation and support for our most vulnerable residents.

Responding to the Welfare Reform Agenda – A project team has been established to look at the impact of Universal Credit on residents, landlords and the Council itself. The first meeting took place on 3rd October with colleagues from DWP, Housing, Revs and Bens and Customer Services getting together to further understand the consequences of the Welfare Reform Agenda and how to mitigate the effects that these changes could have in our most vulnerable residents.

Delivery of affordable housing in line with CDC and Growth Deal targets – is reporting Red for September and Year to Date, delivering 20 affordable homes against a target of 35. A higher number of affordable homes were expected to be completed in September. 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, connection of services and build quality standards. These units will still be delivered in 2019/20 but quality assurance is important.

% of Council Tax collected, increase Council Tax Base is reporting Amber for September and Year to date. The in-month collection has dropped slightly in September 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.



% of Business Rates collected, increasing NNDR Base is reporting Red for September and Amber for Year to Date. The main reason for the drop in collection is known and is because a number of new large assessments have been rated by the Valuation Office one of these a rateable value of £720,000. However, all reminders, finals and summonses have been issued with proactive recovery taking place on those customers with court orders.

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:



Promoting the district as a tourist destination - the construction of new hotels, and further expansion of existing ones, is progressing well at Oxford Technology Park in Kidlington and on several sites off Oxford Rd in Bicester. These will enable further overnight stays which

will increase local expenditure, creating jobs locally whilst serving the needs of businesses, residents and visitors.

Deliver Innovative and Effective Housing Schemes - is reporting Amber for September and Year to Date. On- going marketing and first sale completion at Hope Close, Banbury, this project is being actively marketed and Croprey is progressing through the purchase process which can take several months.

Showcasing Cherwell as a hub of business opportunities - The Council exhibited at 'Revo- 19' in Liverpool, a national retail property exhibition & conference, on the 18 and 19 September to promote Lock 29 and other town centre opportunities in Cherwell.



Banbury Job Fair - held on 26 September, the Banbury Job Fair again proved to be a success for both employers and residents, with an attendance of 156 job seekers/career changers and over 20 employers joined support agencies to provide a half day of support.



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	September	%	YTD	%
Green	On target	28	78%	28	78%
Amber	Slightly off target	5	14%	7	19%
Red	Off target	3	8%	1	3%

3.11 Spotlight on: Housing and Homelessness

The purpose of the Housing Service is to prevent homelessness and rough sleeping, to help people to stay in their own home and improve housing standards.

As soon as someone is at risk of homelessness, we offer help and advice; this could be helping to resolve debt or rent arrears, how to resolve problems with a landlord, making an application for social housing, through our Homechoice system, or help with a deposit bond to gain access to the private rented sector.



At the end of September 2019, we were offering ongoing support to 276 households to prevent or resolve their homelessness; 26 of these households were in temporary

accommodation and working with their Housing Officer to find a long term housing solution. For the majority of households, we are either able to prevent homelessness or to help finding a new accommodation before residents lose their home.

In September we also launched the enhanced Cherwell Bond Scheme in order to help more households in to the private rented sector. The scheme now provides a bond deposit up to the value of 10 weeks' rent which is well above the 5 week cash deposit that landlords could otherwise collect from the tenant. We are also widening the number of households we can help to access affordable private rented sector properties which will include keyworkers such as care workers who often find it difficult to find affordable accommodation.

Our Landlord Forum, on 8th October, was attended by 16 landlords who wanted to hear about changes in the regulations affecting the private rented sector, opportunities to apply for a grant to renovate their property and bring it in to use for homeless households and to provide a home for Syrian refugees being resettled in Cherwell. The Housing Service can advise landlords on their responsibilities including how to set up a compliant house in multiple occupation (HMO) and how to apply for an HMO licence. We always aim to advise and educate but take enforcement action where necessary.



Affordable Extra Care Housing (ECH) flats in Cherwell are allocated through our housing register. The newest scheme opened this summer in Park Gardens, Banbury, welcoming the first residents in to affordable rented flats that offer a secure and accessible environment with care and support on-site. Park Gardens is the 3rd scheme to open in Banbury and the 6th in Cherwell. Any person over the age of 55 who has care needs can be considered for ECH.

Where older people and disabled people's homes need to be improved to be more accessible, we use the Disabled Facilities Grant to adapt properties. In the last 6 months we have improved 273 homes to make them safer and more accessible. In addition, we can advise and support owner occupiers who may not qualify for large grants but still need advice and help to commission the adaptations.

We are resourcing more tenancy support to vulnerable households to make sure that homelessness is prevented and that new tenancies are successful.



We are also investing in support and supported accommodation for rough sleepers using funding secured from central Government. This includes outreach and floating support to rough sleepers and our first Housing First pilot which provides secure accommodation with wraparound support to people with complex needs who cannot access mainstream housing.

For information about any of these services go to www.cherwell.gov.uk/housing or phone 01295 753751.

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		L12	L07, L10 & L11		
	3 - Moderate			L02, L03, L04, L05, L14	L08, L13 & L15	
	2 - Minor			L01		
	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	6 Low risk	↓	Risk reviewed 09/10 – Residual score decreased from 9 to 6.
L02 Statutory functions	9 Low risk	↔	Risk Reviewed 09/10 – No changes.
L03 Organisational Capacity	9 Medium risk	↓	Risk Reviewed 14/10 – Description, residual score decreased from 12 to 9 & commentary updated.
L04 CDC Local Plan	9 Low risk	↔	Risk Reviewed 09/10 – Risk owner, mitigating actions and additional information updated.
L05 Business Continuity	9 Low risk	↔	Risk Reviewed 09/10 – Comments updated.
L06 Partnering	12 Medium risk		REMOVED
L07 Emergency Planning	12 Medium risk	↔	Risk Reviewed 09/10 – Comments updated.
L08 Health & Safety	12 Medium risk	↔	Risk Reviewed 09/10 – Mitigating actions and comments updated.
L09 Cyber Security	15 Medium risk	↔	Risk Reviewed 07/10 – Mitigating actions updated.
L10 Safeguarding the Vulnerable	12 Medium risk	↔	Risk Reviewed 14/10 – No changes.
L11 Sustainability of Council owned companies and delivery of planned financial and other objectives.	12 Medium risk	↔	Risk Reviewed 09/10 – No changes.
L12 Financial sustainability of third-party suppliers including contractors and other partners	8 Low risk	↔	Risk Reviewed 14/10 – No changes.

L13 Separation and Joint Working	12 Medium risk	↓	Risk Review completed 14/10 – Mitigating actions, residual score decreased from 15 to 12 and commentary updated.
L14 Corporate Governance	9 Low risk	↔	Risk Review completed 09/10 – No changes.
L15 Oxfordshire Growth Deal	12 Medium risk	↔	Risk Review completed 09/10 – No changes.

The full Leadership Risk Register update can be found in Appendix 3. There are three score changes for September, further detail can be found in Appendix 3.

3.15 Finance Update (Revenue and Capital)

3.16 Revenue Position

The Council's forecast financial position up to the end of September, is set out in the table below, following a review across the Council's service areas. Overall, for the financial year 2019/20 Cherwell District Council is projecting a small underspend across the directorates of £16k, which has improved from a small overspend of £48k at the end of August. The directorates continue to manage their under and overspends looking to produce a balanced position by the year end. The Council continues to benefit from favourable interest rates earlier in the year which has generated a one-off underspend of £1.4m, resulting in an overall underspend of £1.42m for the Council. Currently all funding is shown on target as we are not expecting any significant variations to date and are not aware of any significant risks to our in-year funding at this stage of the financial year.

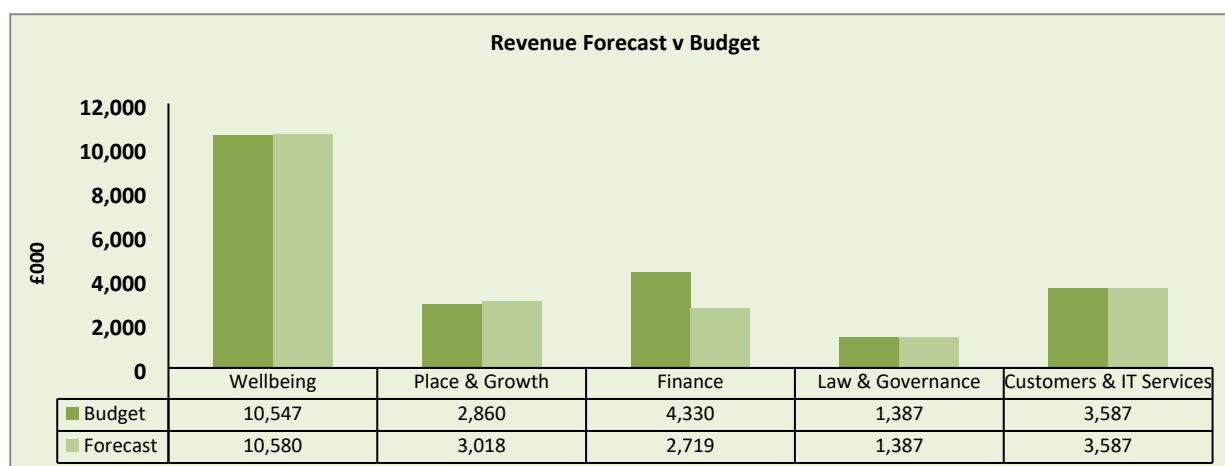
For more detail on the movements across all budgets please see the table below showing the main reasons for the variances in 2019/20.

Revenue Monitoring <i>(Brackets denotes an Underspend)</i>	Budget £000	Forecast £000	Current Month Variances £000	Prior Month Variances £000
Communities	1,685	1,670	(15)	33
Leisure & Sport	791	781	(10)	(15)
Housing	2,047	1,977	(70)	(60)
Environmental Services	4,660	4,898	238	89
Environmental Health & Licensing	1,364	1,254	(110)	(80)
WELLBEING TOTAL	10,547	10,580	33	(33)
<p>Housing: (£70k) underspend due to salary savings as a result of changes in structure.</p> <p>Environmental Services: Gate fees increase of £8 per tonne £93k, Bulking & Haulage charge tonnage increase £18k, Agency staff costs £84k, Increase in NDR Charges £40k, Additional Income from vehicle maintenance (£32k), Increase in business waste tonnage charges but reduction in anticipated income £40k</p> <p>Environmental Health & Licensing: (£110k) Salary savings due to changes in service delivery</p>				
Planning & Development	1,447	1,567	120	267
Economy & Regeneration	1,758	1,746	(12)	42
Build! Programme	(345)	(295)	50	50
PLACE & GROWTH TOTAL	2,860	3,018	158	359

Planning & Development: Overspend in Building Control staffing of £90k relating to agency costs. Development Management overspend of £250k due to under recovery of Planning fee income. Offset by (£220k) saving on Consultants Fees for Local Development Framework				
Build! Programme: £50k under recovery of income due to a delay in Hope Close shared Ownership scheme				
Finance	3,121	3,087	(34)	(38)
Property	(950)	(1,123)	(173)	(250)
Finance Total	2,171	1,964	(207)	(288)
Finance: Underspend on external & internal audit, overspend on bank charges.				
Property: £173k underspend on a variety of functions, such as security, maintenance and vacancies. Variance to previous month due to unforeseen repair fees of empty properties.				
Note: additional income for Tramway and Castle Quay ringfenced directly to reserves due to uncertainty at this stage.				
Law & Governance	1,387	1,387	-	10
Law & Governance Total	1,387	1,387	0	10
Law & Governance: - Overspend in District Elections but reserve can be drawn upon to cover this.				
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	20,552	20,536	(16)	48
Interest Costs	2,705	2,106	(599)	(713)
Interest Receivable	(563)	(675)	(112)	(79)
Interest from Graven Hill	(2,593)	(3,286)	(693)	(693)
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	2,159	755	(1,404)	(1,485)
Treasury Management - active management resulted in beneficial interest rates and slower levels of borrowing significantly improving forecasted position.				
Interest Receivable: (£112k) due to new loan given to Crown House.				
COST OF SERVICES	22,711	21,291	(1,420)	(1,437)

Funding (Brackets denotes an Underspend)	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			(1,420)	(1,437)

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 of (£21k), which is a slight change from August, further detail can be found within the detailed capital programme schedule.

Directorate	Budget £000	Forecast £000	Re- profiled beyond 2019/20 £000	Current Period Variances £000	Prior Period Variances £000
Wellbeing, Environmental & Regulatory	5,233	4,265	829	(139)	(190)
Place & Growth	30,155	18,029	12,144	18	4
Customers & Service Development	869	967	0	98	1
Finance Services	56,673	52,576	4,099	2	(4)
Total	92,929	75,836	17,072	(21)	(189)

Current Period Variances:

Wellbeing, Environmental & Regulatory Services: (£139k) Budgets no longer required for Sunshine Centre (£22k) and Biomass Heating Bicester Leisure Centre (£14k). Forecast saving of (£103k) Discretionary Grants Domestic Properties.

Finance Services: £2k 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, (£27k) Retained Land budget no longer required, (£2k) Condition works Survey works project complete. Franklins House Travellodge (£25k), Asbestos Surveys £60k - some reprofiling. £3k over on BYHP Separation. £10k over on the fairway Garage Demolition

Customers & Service Development: £98k relating to: Land and property harmonisation £39k, Business Systems Harmonisation (£25K), IT Strategy Review £58k, Customer Excellence & Digital Transfer (£45K), Unified Communications £25k and HR/Payroll System £46k over.

Place & Growth: Overdue to Build programme phase 1 £17k and £1k on Bicester Library.

Re-profile beyond 2019/20:

Wellbeing, Environmental & Regulatory Services:

£30k Spiceball Leisure Centre Bridge Resurfacing is part of the CQ2 project and will roll into 20/21.

£122k Bicester Leisure Centre extension, due to prioritisation this will roll into 20/21.

£542k disables facilities Grants - will roll forward what is not used as is better care fund money and can't be used for anything else. **£43k**

Solar Photovoltaic scheme to be rolled into 20/21 to set up a Climate emergency fund.

£50k Public Conveniences rolled in to 20/21.

£42k Car park refurbishment to roll into 20/21.

Place & Growth:

£1,258k Phase 1b Bicester Library plans are currently on hold.

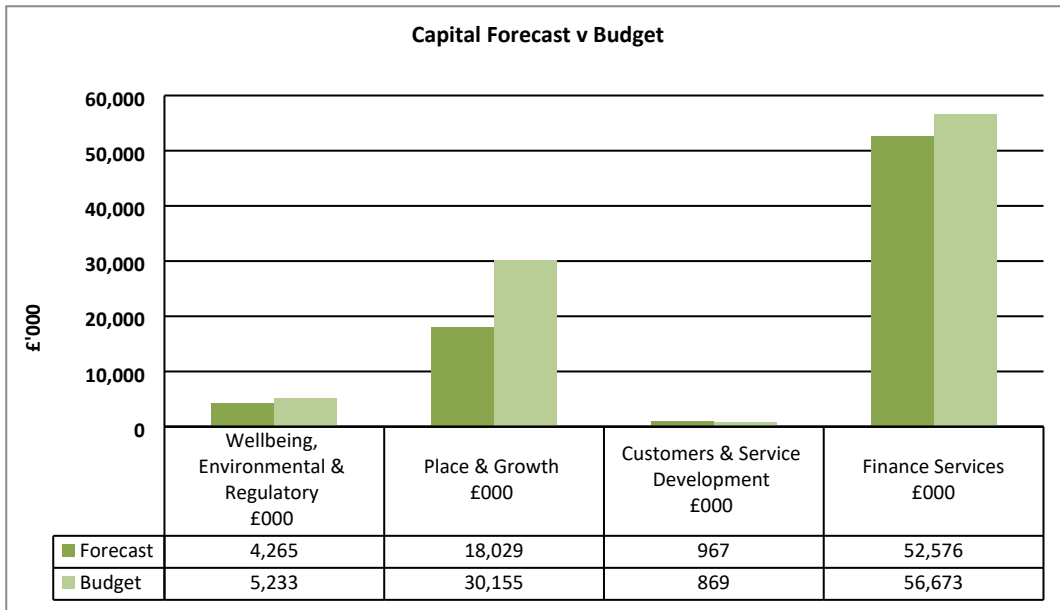
£10,886k Phase 2 majority of works to commence in 20/21.

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.

£150k Works on compliance surveys, £60k works for asbestos surveys



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), 0300 003 0103

Adele.taylor@cherwell-dc.gov.uk

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 , 01295 221786, Louise.tustian@cherwell-dc.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 Illott – Lead member for Finance and Governance

Document Information

Appendix No	Title
Appendix 1	2019/20 Business Plan
Appendix 2	Monthly Performance Report
Appendix 3	Leadership Risk Register
Appendix 4	Capital
Background Papers	
None	
Report Author	Hedd Vaughan-Evans – Assistant Director: Performance and Transformation
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