

# Cherwell District Council

## Overview and Scrutiny Committee

14 July 2020

### Monthly Performance, Risk and Finance Monitoring Report – Quarter 4 / March 2020

#### Report of Director of Finance and Head of Insight and Corporate Programmes

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 As part of monthly reporting the Insight Team provides the Senior Management Team with a complaints report, as part of this report complaints received are monitor and analysed. The mandatory lessons learned has been implemented for more than a year now and we are starting to see a decrease in the number of upheld complaints. Lessons learned are reported to CEDR and progress is monitored to ensure actions are implemented to avoid the same complaint being reported. During this year we have seen a 17% reduction in the number of upheld Stage 1 complaints and a 20% decrease for Stage 2 in comparison with previous financial year 2018/19.

2.5 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.

2.6 The Report details section is split into three parts:

- Performance Update
- Leadership Risk Register Update
- Finance Update

2.7 There are two appendices to this report:

- Appendix 1 - 2019/20 Business Plan
- Appendix 2 - Monthly Performance Report

### 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:

**Protect the Built Heritage** reported Amber for March and End of Year. The Conservation team continue to work closely with Development Management on cases of heritage interest. The Conservation Area Appraisal programme is on-going. Nine Conservation Area Appraisals are in progress. Eight have been subject to public consultation and another is being drafted. Several heritage guidance notes are also being prepared. The Team intend to complete as many as possible as soon as possible while maintaining its service to Development Management and continuing the transition to remote working.



**Supporting community safety** - The Community Wardens continue to operate in the community, in particular to support the new measures seeking to reduce the spread of COVID-19. Supporting Thames Valley Police efforts to make sure Social distancing rules are followed by residents.

**% Waste Recycled & Composted** reported Amber for March and End of Year. The recycling rate for the year was 55.7%, 0.3% short from our 56% target, but still a 1% more than the previous year.



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:



**Number of visits / usage of District Leisure Centres** - reported Red for March and Green for End of Year. Usage numbers are lower than expected for March 2020 against the same period last year. This is primarily due to the closure of both the Leisure Centres from Saturday 21st March and the Joint Use Leisure Facilities from Friday 20th March. The usage for March 2020 was 89,103, however this doesn't include the figures for the

Joint Use Centres as these are held on paper copy at the individual sites and therefor, haven't been received. There has been a reduction in users at Spiceball

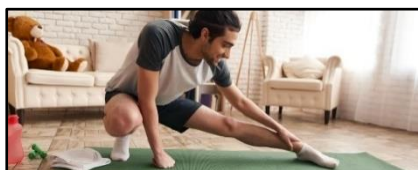
irrespective of the closure due to the difficulties with car parking and easy access to the Centre.

**Number of people helped to live independently through use of DFG & other grants/loans** – The Team provided assistance to a total of 73 households in March; 31 by means of completed disabled adaptations grants (larger jobs) and 42 through smaller works. For the year as a whole that meant we helped 642 vulnerable and disabled households against our annual target of 540.

**Number of Homeless Households living in Temporary Accommodation** - reported Red for March and Green for End of Year. On instruction from MHCLG due to the COVID-19 crisis local authorities have been required to accommodate all those who were rough sleeping or at risk. This has resulted in an unprecedented rise in presentations from single people for placements. As well as 22 families now placed in self-contained temporary accommodation as of 9/4/20 an additional 26 single people have been placed. Additional units of accommodation have been acquired in local hotels and guest houses over and above the normal emergency provision. It is expected demand will increase as the current lockdown continues and further placements are needed.



**Promoting Health and Wellbeing** - March presented a range of new challenges generated by the COVID-19 pandemic. Communities have shown their resilience and neighbourliness. Cherwell Districts wellbeing team have engaged with a wide range of partners and activated community networks to relieve hardship and enable residents to maintain their health and wellbeing.



**Homes improved through enforcement action** - reported Red for March and Green for End of Year. Enforcement actions were concluded at 5 homes in March (including 3 where energy efficiency works were undertaken in response to proactive Minimum Energy Efficiency Standards (MEES) interventions). Although work during the month was interrupted by changes to safe working arrangements caused by the COVID-19 epidemic, we were still able to achieve a total of 111 homes improved during the year, exceeding our target of 108.



**Supporting the voluntary sector** - Residents are receiving the support they need from a variety of voluntary, charitable, community and faith based organisations. This shows the breadth and depth of the support Cherwell District Council gives these organisations and the understanding of their critical place in maintaining community. The Sunshine Centre, The Hill and Banbury Mosque have distributed activity bags to targeted families in the Brighter Futures areas in Banbury, Citizens Advice Community Connect service (the volunteer drivers' scheme) has been repurposed to be an emergency food delivery service, Age UK are operating a telephone line for elder isolated or anxious residents to be able to talk to someone. Community Halls have



closed, and new groups are forming to help neighbours. OCVA (Oxfordshire Community and Voluntary Action) are providing “Oxfordshire All In”; a digital platform to map these new groups and existing ones, and act as a channel of information and support. Prescription delivery services have been set with running and cycling clubs in Banbury and Bicester, with a similar service being provided by KASA Community Help in Kidlington, to ensure that vulnerable residents who are self-isolating are able to get their routine medicines.

**% of Business Rates collected, increasing NNDR Base** - reported Red for March and Amber for End of Year. Having achieved 98.49% against a target of 98.5% on collection rates, the shortfall equated to approx. £10k. Reminder and final notices were issued week commencing 16 March however we have now experienced a



large amount of direct debit cancellations from companies unable to pay their March instalment on either 18 or 25 March. Whilst we had been proactively calling out it is not appropriate to chase money whilst businesses are experiencing hardship due to COVID-19.

**Homelessness Prevention** - reported Amber for March and Green for End of Year. The COVID-19 pandemic has required the Cherwell District Council’s housing team to stay at home and adopt new working arrangements the unprecedented demand from single applicants presenting themselves as homeless, has required the team to focus on responding to this immediate crisis situation. The ability to deliver a fully focused prevention service is curtailed, although Options Officer continue to provide the best service possible.

#### 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:

**Deliver Innovative and Effective Housing Schemes** - reported Amber for March and End of Year. The remaining 9 Hope Close completions were due to happen in the next 3 months. One has had to withdraw as they lost their job but the remaining 8 are still interested. Our solicitors have proposed exchanging contracts with a long stop completion date in December 2020 to secure the sales. These are being progressed with the purchasers if they are in agreement.

**Deliver the Local Plan** - the Partial Review of the Local Plan modifications were approved by the Council on 24 February 2020 and submitted to the planning Inspector the following day. Officers are awaiting the Inspector's final report. An updated Local Development Scheme - the programme for the preparation of future planning policy documents - was approved by the Executive on 2 March 2020. The LDS includes timetables for the completion of the Local Plan Partial





Review, work on the Oxfordshire Plan 2050, a new district-wide Local Plan Review, a Banbury Canalside Supplementary Planning Document (SPD) and a potential Community Infrastructure Levy. The Planning Policy team intends to work as close to business as usual as possible during the COVID-19 outbreak and have commenced work to deliver this programme.

**Promote the district as a tourist destination** - reported Amber for March and End of Year. Membership and day-to-day liaison with Experience Oxfordshire, which promotes Cherwell as a visitor destination. We have identified the need for the Visitor Economy sector to be supported through the COVID-19 pandemic.

**Develop a Cherwell Industrial Strategy** - reported Amber for March and End of Year. A draft strategy is planned for consultation in Summer 2020, but this timeline



is under review because of the current need for staff engagement with the business community in response to COVID-19. CIS links to the Oxfordshire Local Enterprise Partnership (OxLEP) Local Industrial Strategy which is a key and underpinning component of the Oxfordshire Housing and Growth Deal (Productivity workstream).

**Promote Inward Investment and Business Grow** - reported Amber for March and End of Year. Due to the COVID-19 pandemic, Cherwell Business Awards (CBA) shortlisting has been postponed and the final, scheduled for 15 May 2020, has been rescheduled to 20 November 2020. CDC is in close liaison with colleagues at local authorities in Oxfordshire and at OxLEP and Government departments to ensure support to businesses during the COVID-19 pandemic. Cherwell District has 97% superfast broadband coverage of premises (with a download speed greater than 24mbps). CDC continues to work with Oxfordshire County Council towards delivering 100% coverage and raising the standard to 'full fibre' (1gbps) to enable 5G mobile technology through an emerging Digital Partnership.

**Develop Our Town Centres and Increase Employment at Strategic Sites** - reported Amber for March and End of Year. Continued support provided to Banbury BID (Business Improvement District) in the completion of its Year Two business plan. We are supporting the BID and its members during the COVID-19 pandemic. Following the Bicester Town Centre workshop in June 2019, a task group of volunteers has been working on a plan for the town centre. The planned feedback event scheduled for March 30 has been postponed and will be rescheduled for later this year.



**Maintain the 5 Years Land Supply** - reported Amber for March and End of Year. The 2019 Annual Monitoring Report (AMR) reports a dip below 5 years (to 4.6 years). However, housing delivery in 2018/19 was high (1489 homes) and the Government has provided the Oxfordshire authorities with a 3 year flexibility while the Oxfordshire Plan is produced. In view of the current national situation with COVID-19, there will be a need to review projections for future housing delivery. Government advice on meeting current national targets may be required in due course. Officers will seek to engage with the development industry to understand the position of homebuilders and to inform economic recovery measures.

**Net additional Housing Completions** - reported Red for March and End of Year. Due to the COVID-19 emergency no provisional net housing completions for Q4 can

be provided yet. Following Government advice, officers are only undertaking site visits where essential to maintain planning services. The completion of 272 net new homes in Q4 would enable the local plan requirement to be met. Officers have commenced desk based monitoring work and will seek to engage with homebuilders to produce a Q4 return as soon as possible. The approach to housing monitoring and site visits will be kept under review having regard to public health advice.

### **Summary of Performance**

- 3.10 The Council reports on performance against 21 business plan measures monthly and 17 key performance indicators on a quarterly basis. The full details, including commentary against each measure and key performance indicator can be found in Appendix 2.

<b>Business Plan Measures and Key Performance Indicators (38)</b>					
<b>Status</b>	<b>Description</b>	<b>March</b>	<b>%</b>	<b>YTD</b>	<b>%</b>
Green	On target	22	58%	27	71%
Amber	Slightly off target	11	29%	10	26%
Red	Off target	5	13%	1	3%

### **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.

<b>Risk Scorecard – Residual Risks</b>						
		<b>Probability</b>				
		<b>1 - Remote</b>	<b>2 - Unlikely</b>	<b>3 - Possible</b>	<b>4 - Probable</b>	<b>5 - Highly Probable</b>
<b>Impact</b>	<b>5 - Catastrophic</b>			L09	L19, L20	
	<b>4 - Major</b>			L01, L04, L07, L08, L11, L12 & L18		
	<b>3 - Moderate</b>		L16	L02, L05, & L14	L10 L15	
	<b>2 - Minor</b>			L17		
	<b>1 - Insignificant</b>					

- 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.

<b>Leadership Risk</b>	<b>Score</b>	<b>Direction</b>	<b>Latest Update</b>
<b>L01</b> Financial Resilience	12 Medium risk	↔	Risk reviewed 16/04 – Risk owner and comments updated.
<b>L02</b> Statutory functions	9 Low risk	↔	Risk Reviewed 08/04 – Mitigation actions and risk owner updated.
<b>L04</b> CDC Local Plan	12 Medium risk	↔	Risk Reviewed 06/04 – Comments updated
<b>L05</b> Business Continuity	9 Low risk	↔	Risk Reviewed 08/04 – Comments updated

<b>L07</b> Emergency Planning	12 Medium risk	↔	Risk Reviewed 08/04 – Comments updated
<b>L08</b> Health & Safety	16 High risk	↔	Risk Reviewed 08/04 – Comments updated
<b>L09</b> Cyber Security	15 Medium risk	↔	Risk Reviewed 07/04 – Controls and mitigation actions updated.
<b>L10</b> Safeguarding the Vulnerable	12 Medium risk	↑	Risk Reviewed 01/04 – Risk score changed, and commentary updated.
<b>L11</b> Sustainability of Council owned companies and delivery of planned financial and other objectives.	12 Medium risk	↔	Risk Reviewed 20/04 – Risk owner and commentary updated.
<b>L12</b> Financial sustainability of third-party suppliers including contractors and other partners	12 Medium risk	↔	Risk Reviewed 27/04 – Comments updated.
<b>L14</b> Corporate Governance	9 Low risk	↔	Risk Reviewed 20/04 – Potential Impact, Controls and mitigating actions updated.
<b>L15</b> Oxfordshire Growth Deal	12 Medium risk	↔	Risk Reviewed 06/04 – Comments updated.
<b>L16</b> Joint Working – New Risk	6 Low risk	↔	Risk Reviewed 11/05 – Risk reviewed.
<b>L17</b> Separation – New Risk	6 low risk	↔	Risk Reviewed 11/05 – risk reviewed
<b>L18</b> Workforce Strategy	12 Medium risk	↔	Risk Reviewed 11/05 – No changes.
<b>L19</b> Covid19 Community and Customers	20 High risk	↔	Risk Reviewed 11/05 – No changes
<b>L20</b> Covid19 Business Continuity	20 High Risk	↔	Risk Reviewed 11/05 – No changes

During March the leadership risk had one score change, L10 Safeguarding the Vulnerable from 8 to 12. For details please go to Appendix 3 Leadership Risk Register.

### 3.15 Finance Update (Covid19 and Revenue Outturn)

#### Covid19 Impact

The estimated financial impact arising from Covid-19 in the first quarter of 2020/21, on the assumption that a lockdown continues to June 2020 is set out below. The financial impact for 2020/21 is reflected in additional costs, loss of income and expected slippage in the delivery of savings. It is expected that there will be a financial impact beyond the initial lockdown period and into 2021/22.

On 19 March 2020, the Secretary of State for Local Government announced funding of £1.6bn for local government. The distribution of this funding was based predominantly on the Adult Social Care relative needs formula, therefore the Council only received £67k. Further grant funding of £8k has also been provided relating to Homelessness.

A second tranche of £1.6bn was announced on 18 April 2020. The allocation for the Council is £1.5m. This tranche of funding has been distributed using a per capita basis, which results in a significantly higher allocation than the first tranche of funding and was paid in mid May 2020.

The Ministry for Housing Communities & Local Government (MHCLG) require regular returns from Councils on their Covid19 financial impacts which, along with feedback from various bodies such as the District Council Network (DCN) and the Society of District Council Treasurers (SDCT), will help inform funding requirements.



As the financial impact beyond an expected lockdown period to June is still an approximation due to the uncertainty of what shape recovery has, this report focuses on the more certain costs and loss of income in the April to June period alone. However, it is recognised that the financial impact beyond June will be significant.

The table below sets out in the format required by MHCLG, the estimated financial impact for the period April to June with details set out in the following paragraphs. Total costs and loss of income for this period alone are £2.2m, compared to grant funding of just under £1.6m. This leaves a shortfall in grant funding of £0.6m for the three-month period to June alone.

In addition to the costs and loss of income, it is likely that the significant disruption to business as usual will have an impact on the ability to fully deliver savings planned during 2020/21. In addition to the impact for April to June, early estimates indicate the financial impact could be as high £4.7m for the financial year to March 2021. This would leave a shortfall in grant funding of £3.1m for the year.

Furthermore, there is expected to be an ongoing impact into 2021/22 due to reduced income from council tax and business rates as well as a potential on-going increase in demand relating to homelessness and the ongoing impact of any savings planned for 2020/21 which are not delivered. Scenarios are being modelled which will be used to shape the early assumptions used for the Medium Term Financial Strategy (MTFS) planning.

Service	April - June £m
<b>Expenditure</b>	
Housing (excluding HRA)	0.177
Cultural and Related	0.288
Environmental & Regulatory Services	0.075
Finance & Corporate	0.074
Other	0.273
<b>Total Expenditure</b>	<b>0.887</b>
<b>Income</b>	
Sales, fees and charges	0.723
Other	0.624
<b>Total Income</b>	<b>1.347</b>
<b>Total Impact</b>	<b>2.234</b>

Housing - Estimated cost covers the cost of temporary accommodation relating to homelessness.

Cultural & Related – Potential costs relating to leisure services from loss of income during period of closure.

Environmental & Regulatory Services – Cost relating to agency staff and overtime

Finance & Corporate – Additional ICT costs to enable home working plus additional agency staffing costs in finance due to extension in final accounts preparation; Members' Priority Fund.

Other Costs – Includes potential costs of dilapidation works across the property estate if they cannot be recovered.

Sales, Fees & Charges – Expected losses of income from for example, commercial tenancies, car parking and waste.

Other Income – Expected losses of income from the Stables, street market closures and land charges.

Regular reports on the impacts of Covid19 and the wider impacts on the finances of the Council will be brought to members as part of the regular monitoring, the first of which is anticipated at the end of the first quarter.

## Revenue Outturn Position

The Council is reporting a draft final outturn for 2019/20 of a £1.3m underspend, assuming £0.2m of carry forwards requests are approved as part of this report. This is a small increase of underspend of £98k since the previous report.

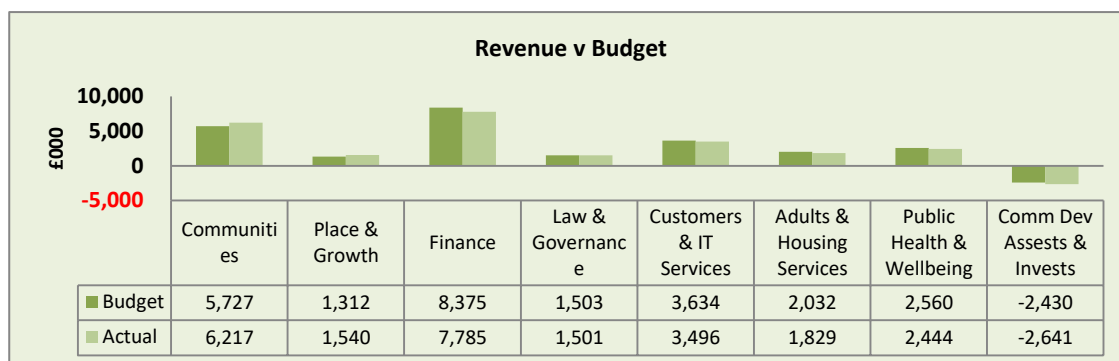
In summary the Council saw an overspend of £126k across the directorates, which is a reduction of £548k from the end of February. Some of the key factors for this reduction include a reduction in Planning legal and consultancy costs of £150k, Housing income increasing by £78k and Healthy Place Shaping costs reducing by £160k. The Council continued to benefit from advantageous interest rates earlier in the year which has generated additional income of £1.3m.

The table below summarises the position across the Council. Due to completion of the statutory accounts process the figures included in this report are potentially subject to change. The capital outturn for 2019/20 will be reported to the Executive at its next meeting.

Revenue Monitoring	Budget £000	Outturn excluding C/F request £000	Carry Forward requests £000s	Outturn including C/F request £000	Current Month Variances £000	Prior Month Variances £000	Movement from last month £000s
Communities	5,727	6,180	37	6,217	490	553	-63
Place and Growth	1,312	1,540	0	1,540	228	387	-159
Finance	3,611	3,689	0	3,689	78	37	41
Law & Governance	1,503	1,446	55	1,501	-2	0	-2
Customers and Organisational Development	3,634	3,421	75	3,496	-138	-35	-103
Adults and Housing Services	2,032	1,829	0	1,829	-203	-130	-73
Public Health and Wellbeing	2,560	2,444	0	2,444	-116	10	-126
Com Dev Assets and Invests	-2,430	-2,691	50	-2,641	-211	-148	-63
<b>Total Directorates</b>	<b>17,949</b>	<b>17,858</b>	<b>217</b>	<b>18,075</b>	<b>126</b>	<b>674</b>	<b>-548</b>
Executive Matters	4,764	3,456	0	3,456	-1,308	-1,847	539
<b>Total Cost of Services</b>	<b>22,713</b>	<b>21,314</b>	<b>217</b>	<b>21,531</b>	<b>-1,182</b>	<b>-1,173</b>	<b>-9</b>
<b>Total Income</b>	<b>-22,711</b>	<b>-22,800</b>	<b>0</b>	<b>-22,800</b>	<b>-89</b>	<b>0</b>	<b>-89</b>
<b>(Surplus)/Deficit</b>	<b>2</b>	<b>-1,486</b>	<b>217</b>	<b>-1,269</b>	<b>-1,271</b>	<b>-1,173</b>	<b>-98</b>

## Summary of Carry Forward Requests

<u>Service Area and description</u>	<b>£000s</b>
<b>Law and Governance</b> - to top up the District Election reserve	55
<b>Digital and IT</b> - IT Support for SNC/CDC split	60
<b>Human Resources</b> - Midland HR implementation	15
<b>Property</b> - To fund washroom and Kitchen refurbishment	50
<b>Environmental Services</b> - funding of the Climate Change Consultant	7
<b>Regulatory Services</b> - Primary Authority contractor support services	30
	<b>217</b>



## Communities

Communities overspent by **£490k** against a budget of **£5,727k** (8.6%)

### **Growth & Economy**

The underspend is as a result of vacancies within the Economic Growth team offset by under recovery of rental income due to the delay in the opening of the Shared Ownership scheme at Hope Close.

#### **Variation**

£24k underspend

#### **Variation last month**

£35k overspend

### **Environmental Services**

The overspend in this area is made up of £445k Employee Costs - Agency Staff, Sickness, Overtime & SNC Recharge costs, £39k reduction in credit and material income. £122k Recycling Gate Fees tonnage rate per tonne increase (Dry & Glass), £48k increase in business waste tonnage but offset in part by anticipated income, (£173k) additional income for street scene repairs, S106 transfers & Grants for Country Park, £55k Increase in Management Fees & reduction in Car Park Income, £34k Increase in National Domestic Rates & Business Improvement District charges, £34k increase in contractor costs - Oxfordshire Waste & Recycling Partnership Contribution, Refuse Disposal Charge & Waste Analysis by Oxfordshire County Council, £37k landfill diversion budget issue and £18k other small overspends in supplies and transport costs. ***This position assumes the £7k carry forward request for the Climate Change consultancy to continue in to 20/21 is approved.***

#### **Variation**

£659k overspend

#### **Variation last month**

£698k overspend

### **Regulatory Services**

The underspend is attributed mainly to salary savings due to changes in structures and vacancies. Plus, higher than anticipated discretionary income has been generated. This outturn is based on the approval to transfer to reserves £30k for contractor support to the Health Protection and Compliance team to provide charged for services whilst also delivering core statutory work

#### **Variation**

£145k underspend

#### **Variation Last Month**

£180k underspend

## Place and Growth

Place and Growth overspent by **£228k** against a budget of **£1,312k** (17.4%)

### **Planning & Development**

The overspend has decreased by £159k from February. The majority of the movement this month is made up of delays of planned Legal and Consultancy fees £76k in Planning Policy and Development Management, £15k additional Grant Income received and £31k salary recharges to OCC not previously forecast. In overall terms the overspend is made up of £214k in Building Control due to agency staff offset by recharges to SNC being -£111k higher than budgeted,

#### **Variation**

£228k overspend

#### **Variation last month**

£387k overspend

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£365k in Development Management (and Tech Support) due to planning fees income being lower than budgeted £347k, additional budgeted costs related to the anticipated appeals, offset by savings made in Tech Support and staffing costs of £109k. This is offset in part by savings of -£366k of mostly Consultancy costs in Planning Policy. Going forward, the Director is continuing to explore the full implications of the overall overspend and what action can be taken

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## Finance

Finance overspent by **£78k** against a budget of **£3,611k** (2.2%)

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<b>Finance</b>	The overspend is made up largely by a £121k Overspend of external audit fee, recruitments costs and contractor fees and is offset in part
<b>Variation</b> £78k overspend	by a (£72k) underspend in Revs & Bens due to Universal Credit introduction.
<b>Variation last month</b> £37k overspend	

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## Law & Governance

Law & Governance underspent by **£2k** against a budget of **£1,503k** (-0.1%)

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<b>Law &amp; Governance</b>	<i>This outturn is based on the approval to carry forward £55k to top up the District Election reserve.</i>
<b>Variation</b> £2k underspend	
<b>Variation last month</b> £0k underspend	

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## Customers and Organisational Development

Customers & Organisational Development underspent by **£138k** against a budget of **£3,634k** (-3.8%)

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<b>Customers &amp; Organisational Dev.</b>	The underspend is largely due to salary savings due to vacancies in the Communications team and the fact that a senior member of the team is shared with OCC. There is also an underspend in IT which is mainly because an invoice received in 18/19 was not recharged out to the services until 19/20. The last factor contributing to the underspend is the 16K in Human Resources which is due to a 27K invoice for an annual subscription being accrued into 20/21. The overall underspend in this service is partly offset by the overspend in Customers and Cultural Services due to under recovery of Land Charges income. The budget has been adjusted in 20/21 so it was in line with the expected recovery. <i>This outturn is based on the approval to carry forward 60K in IT to support SNC/CDC separation and 15K in HR to support I Trent (new HR system).</i>
<b>Variation</b> £138k underspend	
<b>Variation last month</b> £35k underspend	

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## Adults and Housing Services

Adults and Housing Services underspent by **£203k** against a budget of **£2,032k** (-10.0%)

<b>Housing &amp; Social Care</b>	The underspend is a combination of salary savings due to vacancies and savings against the Cherwell Bond Scheme due to a low level of claims made. Also contributing to the overall underspend is higher than anticipated fee income as a result of administering Disabled Facilities grants and Discretionary grants. The variance from the previous reported outturn is a result of income received by the Home Office in relation to the Vulnerable Persons Resettlement scheme that should have been recognised in 2017-18. This savings will be returned to the General Fund to offset the forward funding the council made in 2017-18.
<b>Variation</b> £203k underspend	
<b>Variation last month</b> £130k underspend	

## Public Health & Wellbeing

Public Health & Wellbeing underspent by **£116k** against a budget of **£2,560k** (-4.5%)

<b>Wellbeing</b>	<b>£134k overspend</b> - The overspend can be predominantly attributed to the compensatory payments totalling £114k paid to Parkwood Leisure as a result of loss of income due to the closure of the Spiceball pedestrian bridge during the Autumn whilst building works take place next to the leisure centre at Castle Quay Waterfront.
<b>Variation</b> £134k overspend	
<b>Variation last month</b> £10k overspend	
<b>Healthy Place Shaping</b>	It was agreed during the 20/21 budget setting process that £160k of forecast underspend would be returned to General Fund at year end. Also agreed at budget setting was the carry forward of £90k of NHS England money to support the programme during the year. This £90k was therefore built into the 20/21 budget in advance.
<b>Variation</b> £-250k underspend	
<b>Variation last month</b> £-0k underspend	

## Comm Dev Assets and Invests

Comm Dev Assets and Invests underspent by **£211k** against a budget of **£2,430k** (-8.7%)

<b>Property</b>	The underspend arises from a variety of functions such as security, repairs and maintenance. <b><i>This outturn is based on the approval to carry forward 50k to fund washroom and Kitchen refurbishment.</i></b>
<b>Variation</b> £218k underspend	
<b>Variation last month</b> £153k underspend	

## Executive Matters

Executive matters have underspent by **£1,308k** against a budget of **£4,764k** (-27.5%)

<b>Interest Costs</b>	An underspend has been achieved through a lower than expected borrowing balance brought forward from 2018/19 leading to lower interest paid. In addition, slippage on capital programme resulted in less borrowing required in year, and for the borrowing undertaken, lower rates were achieved than budgeted.
<b>Variation</b> £692k underspend	
<b>Variation last month</b> £687k underspend	
<b>Interest Receivable</b>	Additional interest receivable during the year of £140k relates to a new loan to Crown House.
<b>Variation</b>	

£1,075k underspend	Higher than expected balances brought forward plus a small increase in interest rate give rise to additional interest receivable from Graven Hill of £715k. In addition, there is an extra £220k interest due to Bond Fee income
<b>Variation last month</b> £969k underspend	
<b>Bad Debt Provision</b>	The Council is prudently increasing its provision for doubtful debts as it seeks to recover a number of older outstanding debts during 2019/20 by a further £451k. Post the year end, the impact of Covid19 could also result in further bad and doubtful debts, therefore an increased provision seems prudent at this time
<b>Variation</b> £451k overspend	
<b>Variation last month</b> £0k	

## 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:

Lorna Baxter, Executive Director Finance  
[Lorna.Baxter@cherwell-dc.gov.uk](mailto:Lorna.Baxter@cherwell-dc.gov.uk)

### 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](mailto:Nick.Graham@cherwell-dc.gov.uk)



Please note that Nick Graham left the organisation on June 2020, before his departure Mr Graham signed off this report. The new Head of Legal services is Sukdave Ghuman.

## 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:

Celia Prado-Teeling, Performance Team Leader

01295 221556

[celia.prado-teeling@cherwell-dc.gov.uk](mailto:celia.prado-teeling@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 Ilott – Lead member for Finance and Governance

## Document Information

Appendix No	Title
Appendix 1 Appendix 2	2019/20 Business Plan Monthly Performance Report
Background Papers	
None	
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