

# **Cherwell District Council**

## **Executive**

**5 October 2020**

## **Monthly Performance, Risk and Finance Monitoring Report**

### **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 August 2020.

#### **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 during August 2020 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 2020-21 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 also provides the Senior Management Team with a corporate complaints report detailing complaints received during the month. The mandatory lessons learned data 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 (Chief Executive Direct Reports) and progress is monitored to ensure actions are implemented to avoid the same complaint being reported.

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 four appendices to this report:

- Appendix 1 - 2020/21 Business Plan
- Appendix 2 - Monthly Performance Report
- Appendix 3 - Leadership Risk Register
- Appendix 4 - Finance




### 3.0 Report Details

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 2020-21 business plan (see Appendix 1) and the priorities of the Council.

3.2 The 2020-21 business plan set out four strategic priorities:

- Housing that meets your needs.
- Leading in environmental sustainability.
- An enterprising economy with strong and vibrant local centres.
- Healthy, resilient and engaged communities.

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)
<b>Red</b>		Significantly behind schedule	Worse than target by more than 10%.
<b>Amber</b>		Slightly behind schedule	Worse than target by up to 10%.
<b>Green</b>		Delivering to plan / Ahead of target	Delivering to target or ahead of it.

### **Priority: Housing that meets your needs**

3.4 The Council is committed to deliver affordable housing, raising the standard of rented housing and find new and innovative ways to prevent homelessness. Also, to promote innovative housing schemes, deliver the local plan and supporting the most vulnerable people in the District.

### **3.5 Overview of our performance against this strategic priority:**

**Homes improved through enforcement action** is reporting Red for August and Amber for Year to Date (4 against a target of 9). The team's interventions have resulted in 4 homes being improved through completed works this month. The low figure reflects the holiday season and is expected to increase for September.

**Number of affordable homes delivered including CDC and Growth Deal targets** is reporting Green for August and Red for Year to Date (30 against a target of 25). There was a total of 30 new affordable homes completed in August 2020, comprising 18 Affordable Rent and 12 Shared Ownership tenure properties. Some development sites are still catching up after delays caused by the COVID-19 lockdown.



**Number of Housing Standards interventions** is reporting Red for August and Amber for Year to Date (46 against a target of 55). Although inspection activity is still restricted by COVID-19, the team has continued to respond to service requests and with identifying rented homes with poor energy efficiency. This month's figure reflects a reduced number of proactive cases because resources have been allocated to the conclusion of several major enforcement cases.

**Homelessness Prevention** is reporting Amber for August and Year to Date. The Housing Team remains committed to ensuring those who have been placed as a response to the COVID-19 emergency do not return to rough sleeping and are working to secure more long-term options for single clients. Demand on the service from those presenting in crisis remains high, particularly from single people. The team continues to monitor the needs of those placed, as well as those who remain



on the streets and in other supported accommodation, to find the best options for all clients in our area. Applications for funding as part of Next Steps Planning have been submitted to Ministry of Housing, Communities & Local Government; the outcome will determine what additional options can be secured as a response to the COVID-19 emergency.



**Deliver Innovative and Effective Housing Schemes** is Reporting Green for August and Amber

for Year to Date. Admiral Holland is due to complete mid-September. The seven two-bedroom houses have been advertised on the Cherwell Home Choice system and each has attracted 50 bids. The seven shared ownership units have attracted 10 expressions of interest and are due to be put on Rightmove in early September.

### **Priority: Leading in environmental sustainability**

3.6 The Council is committed to deliver on our commitment to be carbon neutral by 2030, to promote the Green Economy and increase recycling across the district. This priority includes the protection of our natural environment and our built heritage, working in partnership to improve air quality in the district and the reduction of environmental crime.

### **3.7 Overview of our performance against this strategic priority:**

**Reduction of fuel consumption used by fleet** is reporting Green for August and Amber for Year to Date (34,864 against a target of 35,114). Slightly less fuel used than last August despite more vehicles in the fleet, this is due to constant training and monitoring.



**% Waste Recycled & Composted** is reporting Green for August and Year to Date. Recycling rate is currently 59.1%. Recycling rate is still slightly up on last year. Total tonnage collections are 2900 tonnes up compared to the first five months of last year this is an increase of 10%.

**Protect the Built Heritage** is reporting Amber for August and Year to Date. The Team continues to work closely with Development Management on cases of heritage interest and the on-going Conservation Area Appraisal programme. The current position is: work continues on Conservation Area Appraisals (Bloxham and Grimsbury); a number of officer reports on completed Conservation Area Appraisals require finalisation and heritage advice continues to be provided to inform Development Management decision making.



**Reduce Environmental Crime** is reporting Green for August and Year to Date. Environmental enforcement operations are now almost fully restored, with only interviews under caution remaining to be restarted. The team is responding directly to reported waste management issues, mainly by visits to advise businesses and residents on how to dispose of waste lawfully, e.g. where a fridge has been left outside a residential property.

### **Priority: An enterprising economy with strong and vibrant local centres**

3.8 The Council is committed to support business retention and growth, developing skills and generating enterprise; also, securing infrastructure to support growth in the district and securing investment in our town centres. This priority also

contributes towards making communities thrive and businesses grow promoting the district as a visitor destination, committing to work with businesses to ensure compliance and promote best practice.

### 3.9 Overview of our performance against this strategic priority:



**% of Council Tax collected, increase Council Tax Base** is reporting Amber for August and Year to Date. The Team has achieved a cumulative collection rate of 46.12% against a target of 48.5%, with targets amended from last year to take into account the increased number of 12 monthly payers, this equates to a shortfall in collection of just over £2.6m. The team is now inspecting new build properties

again and the amount of Council Tax collected will now continue to rise now that the housing market is moving again, this will impact collection rates in the short term. There are 3 main factors that have affected collection rates this year; the increase in number of 12 monthly payers, an increase in the number of Council Tax support claimants and those Council Taxpayers who don't pay unless reminded to do so. All of these factors are a result of COVID-19. The team is not actively pursuing customers for unpaid council tax at this time however recovery will commence in due course.

**Develop Our Town Centres** – 29th August saw the opening event for Lock-29 at Castle Quay, Banbury, which is Happerley's national centre in England for food and drink provenance. It was a well-attended event, following social distancing and safety guidelines. Also, during August council officers continued to work closely with external partners to ensure safety regarding the reopening of high streets within the district. After engaging with stakeholders regarding the Reopening High Streets Safely Fund (RHSS), a Grant Action Plan was submitted to the Ministry of Housing, Communities and Local Government (MHCLG).



**Support Business Enterprise, Retention, Growth and Promote Inward Investment** – The Economic Growth team continued to support Cherwell's implementation of the COVID-19 Government grant schemes (Small Business Grant Fund; Retail, Hospitality and Leisure Grant Fund; and Discretionary Grant Fund) to local businesses. The team also provided one-to-one advice and support to Cherwell businesses, as well as guidance on grants to other businesses and information to potential inward investors and property developers.

**% of Business Rates collected, increasing NNDR Base** is reporting Amber for August and Year to Date. The Team has achieved a collection rate of 44.10% as at end of August against a target of 49% which equates to a shortfall of just over £2.4m. The amount of business rates to collect has increased since end July by £700k due to new growth within the district. Formal reminder notices were issued in August which has assisted an additional £772k in August compared to July 2020. The team is proactively chasing debts by phone and by email and should no payment be forthcoming a formal reminder notice is issued.

**Develop a Cherwell Industrial Strategy** is reporting Amber for August and Year to Date. A draft strategy consultation was planned for Summer 2020 but paused, because of the need of staff to engage with the business community in response to COVID19. The planned review of the CIS focus and timeline will take account of the impact of COVID-19 on the Oxfordshire and Cherwell economies. CIS links to the OxLEP Local Industrial Strategy (LIS) which is a key component of the Oxfordshire Housing and Growth Deal (Productivity workstream).



### **Priority: Healthy, resilient and engaged communities**

3.10 The Council is committed to enable all residents to lead an active life, improving and developing the quality of local sports and leisure facilities, promoting health and wellbeing in our communities. Also, supporting community and cultural development; working with our partners to address the causes of health inequalities and deprivation, and to reduce crime and anti-social behaviour.

#### **3.11 Overview of our performance against this strategic priority:**

**New COVID grant launched to help tackle food poverty in Cherwell -** Community groups in Cherwell are being encouraged to apply for a new grant to help residents struggling in the wake of COVID-19, to access food and essential supplies.

Cherwell is distributing £70,000 from the Community Hub Emergency Relief Grant, provided by the Department for Food and Rural Affairs (DEFRA) through Oxfordshire County Council. The fund is available to support the work of voluntary not-for-profit organisations, working to relieve hardship in their community and prevent food insecurity.



Projects that can be funded include, but are not limited to, community food banks and food projects such as larders and fridges.

Cherwell District Council is offering grants of up to £5,000 per constituted voluntary group to support programmes of work that reduce food insecurity and alleviate the hardships of residents in Cherwell during the COVID-19 crisis.

Any event or project that is supported needs to be accessible to all and to bring communities together.

The fund is already open and will close on 31 March 2021. Due to the finite nature of the grant, the closing date may be sooner if the budget has been allocated.

**Number of visits/usages of District Leisure Centre** is reporting Green for August and Red for Year to Date, accounting a total of 23,061 visits against a target of 20,000. As noted, the Centres are opening on a phased basis with social distancing measures in place and restriction on numbers. A positive performance has been noted at Stratfield Brake Sports Ground where the usage is slightly higher than the same period last year.

**Support Community Safety and Reduce Anti-Social Behaviour** - The Cherwell Community Safety Partnership has identified its priorities for 2020/21 and is finalising a refreshed partnership plan for publication. The partnership met in August

and focused on violent crime, receiving an update on the work of the Thames Valley Violence Reduction Unit. Whilst the Community Safety team continues to respond to reports of anti-social behaviour and to provide a visible council presence in our communities, their focus has moved to supporting businesses ensure good COVID-19 security measures are in place.

**The Cherwell Young People, Play & Wellbeing partnership** – The Partnership met for its first socially distant meeting on the 18 of August. The meeting allowed partners to meet face to face for the first time to share partner updates, good news stories, plans and good practice. The feedback from partners was very positive, the meeting was a great way to support the mental wellbeing of individuals from voluntary organisations.

**Play:Full** – The Play:Full initiative activities continued throughout the summer holiday period, giving the residents of our Brighter Future wards in Banbury the opportunity of having fun and a free healthy lunch or snack. Activities include socially distant activator sessions, treasure hunts and activity sheets with fun competitions and art opportunities. To celebrate the end of the holidays, a socially distant picnic was delivered on 27 August, with storytelling from the Cherwell Theatre Company, activity bags from the Warriner School Farm and a weekend family meal bag for all families to cook a meal together at home.



**Active Travel** - The Council has provided support to Oxfordshire County Council colleagues in preparing its submission for Tranche 2 funding from the National Active Travel Fund; a specific proposal for Bicester was included as part of this submission. Officers have also assisted delivery of Tranche 1 funded schemes including the installation of additional cycle racks in Bicester, Kidlington and Banbury. Officers have supported residents to cycle to work by providing free repairs in its 'Dr Bike' sessions in Banbury, Bicester and Kidlington. A total of 352 cycles have been repaired in the year to date, with residents on lower incomes prioritised. The healthy place shaping team has also been working with County officers to promote the safe return to school, encouraging parents and children to walk and cycle to school to promote social distancing and reduce congestion at the school gates.

## Summary of Performance

- 3.12 The Council reports on performance against 39 Business Plan Measures, with 22 Programme Measures and 17 Key Performance Indicators. The full details, including commentary against each measure and key performance indicator can be found in Appendix 2.

### Programme Measures and Key Performance Indicators (39)

Status	Description	August	%	DoT	YTD
Green	On target	31	79%	↑	25
Amber	Slightly off target	6	15%	↓	9
Red	Off target	1	3%	↓	4
	No data	1	3%	NA	1

Please note that the KPI measure “High risk food businesses inspected” haven’t been able to report anything as a consequence of COVID-19 lockdown measures please check Appendix 2 for more information.

### Risk Update

- 3.13 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.
- 3.14 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			L04, L07, L11 & L12	L01, L17, L19	
	3 - Moderate		L16	L02, L05, L14, L18, & L21	L08, L15, L20	
	2 - Minor				L10	
	1 - Insignificant					

- 3.15 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	16 High risk	↔	Risk reviewed 04/09 – No changes
<b>L02</b> Statutory functions	9 Low risk	↔	Risk Reviewed 10/09 – No changes
<b>L04</b> CDC Local Plan	12 Medium risk	↔	Risk Reviewed 03/09 – Comments updated
<b>L05</b> Business Continuity	9 Low risk	↔	Risk Reviewed 03/09 – Comments updated
<b>L07</b> Emergency Planning	12 Medium risk	↔	Risk Reviewed 03/09 – Comments updated
<b>L08</b> Health & Safety	12 Medium risk	↔	Risk Reviewed 08/09 – Mitigating actions and controls amended
<b>L09</b> Cyber Security	15 Medium risk	↔	Risk Reviewed 07/09 - No changes
<b>L10</b> Safeguarding the Vulnerable	8 Low risk	↔	Risk Reviewed 08/09 – Mitigating actions and comments updated
<b>L11</b> Sustainability of Council owned companies and delivery of planned financial and other objectives.	12 Medium risk	↔	Risk Reviewed 03/09 – No changes
<b>L12</b> Financial sustainability of third-party suppliers including contractors and other partners	12 Medium risk	↔	Risk Reviewed 09/09 – Comments updated
<b>L14</b> Corporate Governance	9 Low risk	↔	Risk Reviewed 13/08 – No changes.
<b>L15</b> Oxfordshire Growth Deal	12 Medium risk	↔	Risk Reviewed 07/09 – Comments updated
<b>L16</b> Joint Working	6 Low risk	↔	Risk Reviewed 08/09 – No changes
<b>L17</b> Separation	16 High risk	↑	Risk Reviewed 08/09 – Risk score increased, and comments updated
<b>L18</b> Workforce Strategy	9 Low risk	↔	Risk Reviewed 04/09 – No changes.
<b>L19</b> Covid19 Community and Customers	16 High risk	↔	Risk Reviewed 10/09 – Mitigating actions and commentary updated.
<b>L20</b> Covid19 Business Continuity	12 Medium risk	↔	Risk Reviewed 08/09 – No changes
<b>L21</b> Post Covid19 Recovery	9 Low Risk	↔	Risk Reviewed 08/09 – Comments updated

During August the leadership risk had one score change, L17 “Separation” has increased score from 12 to 16 (review Appendix 3 for details).

### **Finance Update**

- 3.16 The Council's forecast financial position up to the end of August shows a forecast overspend of £0.2m. This is made up of a £3.7m overspend related to Covid-19 costs (para 3.19), offset by a £3.5m underspend on business as usual costs (para 3.17).
- 3.17 The directorate budgets have identified underspends and in-year savings proposals agreed by Council of £1.8m within business as usual activities. Within the Executive Matters budget, the Council continues to benefit from low interest rates which are forecast to provide an underspend of £0.5m for the year and a use of reserves of £1.2m is also assumed. This results in an overall underspend of £3.5m on business as usual activities. These business as usual underspends are £0.1m lower than forecast in July.
- 3.18 The following assumptions have been made in assessing the costs of Covid-19 to the Council:
- Phased reopening of businesses from June to August
  - All businesses able to reopen from September
  - Full economic recovery does not happen before the end of financial year
  - Contract support to some service providers will continue until the end of October in line with Government guidance.
- 3.19 Applying these assumptions generates a forecast pressure from Covid-19 of £6.7m for 2020/21. This is a combination of additional costs and loss of income arising from the impact of the Covid-19 pandemic on Council services. This is partially met by Covid-19 support grant funding of £1.8m and an estimated grant of £1.2m to partially meet income losses. This reduces the in-year Covid-19 pressure to £3.7m.
- 3.20 For more detail on the movements across all budgets please see Table 1 showing the main reasons for the variances in 2020/21.
- 3.21 CDC has identified options for how it will meet any funding shortfall that may remain for 2020/21 which were considered by the Executive on 20<sup>th</sup> August and approved by the Council on 7<sup>th</sup> September.
- 3.22 There are further risks to the forecasts for service delivery such as the possibility of a second period of lockdown, either nationally or locally, to respond to a second peak in Covid-19 cases. This scenario is difficult to model as this would impact different services to different degrees with some services forecasting higher costs in the recovery phase than the response phase.

## 3.23 Report Details

**Table 1: Forecast Revenue Outturn**

Revenue Monitoring	Budget £m	Forecast Outturn £m	Current Month Variances £m	Covid Related Costs £m	Variance Excl. Covid £m	Prior Month Variances £m	Movement from last month £m	Proposed Virement £m	Adj. Forecast Variances £m
Communities	6.429	7.954	1.525	1.247	0.278	0.195	0.083	1.508	0.017
Place and Growth	3.506	3.937	0.431	0.630	-0.200	-0.257	0.057	0.400	0.031
Customers and Org. Dev.	3.907	3.730	-0.178	0.126	-0.304	-0.311	0.007	-0.099	-0.079
Adults and Housing Services	2.932	2.962	0.030	0.354	-0.324	-0.299	-0.025	0.092	-0.062
Public Health and Wellbeing	3.066	4.319	1.253	1.727	-0.474	-0.452	-0.022	-0.158	1.411
Comm. Dev. Assets and Inv.	2.211	4.054	1.843	2.562	-0.719	-0.705	-0.014	1.923	-0.080
Corporate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.163	-1.163
<b>Total Directorates</b>	<b>22.051</b>	<b>26.955</b>	<b>4.904</b>	<b>6.647</b>	<b>-1.743</b>	<b>-1.829</b>	<b>0.086</b>	<b>4.829</b>	<b>0.075</b>
Executive Matters	3.553	1.845	-1.708	0.000	-1.708	-1.722	0.014	-1.654	-0.054
<b>Total Cost of Services</b>	<b>25.604</b>	<b>28.800</b>	<b>3.196</b>	<b>6.647</b>	<b>-3.451</b>	<b>-3.551</b>	<b>0.100</b>	<b>3.175</b>	<b>0.021</b>
<b>Total Income</b>	<b>-25.604</b>	<b>-28.600</b>	<b>-2.996</b>	<b>-2.996</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>-3.175</b>	<b>0.179</b>
<b>(Surplus)/Deficit</b>	<b>0.000</b>	<b>0.200</b>	<b>0.200</b>	<b>3.651</b>	<b>-3.451</b>	<b>-3.551</b>	<b>0.100</b>	<b>0.000</b>	<b>0.200</b>

### Please note:

1. The proposed virements and the use of £1.182m of reserves were approved by the council on 7 September the budget changes will be reflected in September's figures.
2. This assumes the Government will compensate for losses of sales, fees and charges income for the full year.
3. Some numbers do not agree to paragraphs 3.17 and 3.19 due to rounding.

## Communities

Communities predicts an overspend of £1.525m against a budget of £6.429m (23.7%).

Environmental Services	The most significant element of the anticipated loss is car parking income, estimated to be £0.9m equating to approximately half the level expected.
Variation £1.522m overspend	Also included is an anticipated increase in income of £0.147m, £0.119m increase in transport costs, additional spending of £0.380m related to waste activities, such as recycling and increased tonnage, a £0.084m increase in National Non-Domestic Rates & Business Improvement District charges, £0.083m increase in management variable fees, £0.088m employee/agency costs and other small overspends. These figures include in year savings that have been identified.
Last Month £1.544m overspend	
Regulatory Services	The spending and loss of income related to Covid-19, including the decision to waive the first quarter's Street Traders licences and costs related to the Local Outbreak Control system, will be offset by salary savings due to vacancies, reduced travel costs and joint working with Oxfordshire County Council.
Variation £0.003m overspend	
Last Month £0.015m	

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overspend

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## **Place and Growth**

Place and Growth predict an overspend of £0.431m against a budget of £3.506m (12.3%).

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Planning & Development	August has shown very little change to July. There is a significant forecast reduction in income of £0.702m from Planning Application fees of which £0.506m is Covid related. Building Regulation income reduction for the year relating to Covid-19 is estimated at £0.059m. Budget savings due to reviewing vacancies and other areas has reduced the impact of the expected overspend to the level shown.
Variation £0.601m overspend	
Last month £0.606m overspend	

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Growth & Economy	The forecast underspend is mainly made up of savings as a result of reviewing vacancies and delaying recruitment as well as savings made with the Shared Ownership repairs and Maintenance budget. This month saw reduced underspend due to a commitment to consultancy for the build review and a forecast reduction in officer time that can be capitalised.
Variation £0.170m underspend	
Last Month £0.230m underspend	

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## **Customers and Organisational Development**

Customers & Organisational Development predict an underspend of £0.178m against a budget of £3.907m (-4.5%).

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Customers & Organisational Dev.	Due to the impact of Covid-19, there is a decline in house sales impacting on Land Charges income, resulting in an under recovery against the budget. However, Land Charges recovered more than expected in August which has reduced the covid impact. Further savings identified after reviewing current vacancies and other service areas costs have helped to offset the income loss impact.
Variation £0.178m underspend	
Last Month £0.125m underspend	

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## **Adults and Housing Services**

Adults and Housing Services predict an overspend of £0.030m against a budget of £2.932m, (1.0%).

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Housing & Social Care	The overspend can be predominately attributed to the impact of Covid-19, which includes costs of temporary accommodation, associated 'move-on' costs post lock down and fee income loss for agency services. Offsetting the overspend are salary savings as a result of reviewing vacant posts and other costs.
Variation £0.30m overspend	
Last Month £0.90m overspend	

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## **Public Health & Wellbeing**

Public Health & Wellbeing predict an overspend of £1.253m against a budget of £3.066m (40.9%).

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Wellbeing	The forecast overspend of £1.3m is predominately due to the Covid impact of £1.7m. The main cost is the contractual relief payments expected to be made to support the leisure operator during the pandemic. In addition, loss of income from holiday hubs and hiring of sports facilities. Offsetting these costs are savings of £0.4m identified from reviewing existing costs and vacancies and funding for compensatory payments for a leisure provider linked to access restrictions which is no longer required.
Variation £1.313m overspend	
Last Month £1.408m overspend	

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Healthy Place Shaping	Savings are forecast to be made on salaries due to vacant posts.
Variation £0.060m underspend	
Last Month £0.066m underspend	

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## **Commercial Development, Assets and Investments**

Comm. Dev. Assets and Invests. predicts an overspend of £1.843m against a budget of £2.211m (83.4%).

Property	Significant reductions in commercial rent from commercial properties are currently forecast as a result of Covid-19. In addition, there is the potential that CDC may incur dilapidation costs for failed businesses. Reviewing expenditure plans has however provided potential savings to slightly offset some of this impact by £0.200m for the year.
Variation £1.873m overspend	
Last Month £1.873m overspend	
Finance	This is made up largely by supporting the additional work related to Covid-19, such as the business grant schemes and additional support with the extension in the completion of the Statement of Accounts. Additional government support through the New Burdens grant funding may be made available later in the year to help further offset some of this cost.
Variation £0.106m overspend	
Last Month £0.120m overspend	
Law and Governance	The main savings this year are due to no district elections and vacancies.
Variation £0.120m underspend	
Last Month £0.120m underspend	

### **Executive Matters**

Executive Matters predicts an underspend of £1.708m against the budget of £3.553m (-48.1%).

Interest Costs	Reduced borrowing costs and lower rates are creating a positive variance against budget for 2020/21 £0.424m
Loan Interest	£0.105m additional loan interest income (indirectly Covid related)

### **3.24 Capital**

There is a forecast in-year underspend of £12.779m, of which £11.902m is anticipated to be reprofiled in future years. There is an overall forecast reduction in the total cost of schemes of £0.877m. A review of the capital programme will be undertaken as part of the budget process to consider what schemes the Council will progress in the future.

Directorate	Budget £000	Outturn £000	Re-Profiled Beyond 2020/21 £000	Current Period Variances £000	Prior Period Variances £000
Wellbeing, Housing & Environmental Services	4,747	3,141	1,160	-446	-735
Places & Growth	34,355	23,510	10,742	-102	0
Customers & Service Development	696	703	0	7	7
Finance Services	66,224	65,888	0	-336	-6
<b>Total</b>	<b>10,6022</b>	<b>93,242</b>	<b>11,902</b>	<b>-877</b>	<b>-734</b>

### 3.25 Current Period Variances

#### Wellbeing, Housing & Environmental Services:

Wellbeing: are forecasting (£0.008m) underspend against the Story Map insight work.

Housing: are forecasting (£0.429m) underspend due to significantly reduced activity with regards to Disabled Facilities Grant (£0.375m), (£0.004m) for the Arbritas upgrade and Discretionary grants works (£0.050m) as a result of COVID.

Community: are forecasting (£0.008m) underspend against Sunshine Centre

Environmental Services: are forecasting (£0.001m) underspend

### **Place and Growth:**

Growth & Economy: Build Phase 1 - is reporting unbudgeted spend of £0.109m with a forecast spend of £1.361m in this financial year and reprofiling the remaining budget into 21/22 to complete the programme

Build Phase 2 - £0 overspend - is forecasting to spend £0.674 in this financial year and reprofiling the remaining budget in to 21/22. The agreed capital programme does overlap financial years.

The Hill Community Centre - £211k underspend is currently being investigated.

### **Finance Services:**

(£0.336m) relating to: The Fairway Garage Demolition £16k, Corporate Asbestos Surveys (£0.050m) and Wildmere Industrial Estate £0.028m, (£0.008m) Bradley Arcade Roof Repairs, (£0.153m) Banbury Health Centre, (£0.070m) Banbury Museum Upgrade of AHU, (£0.050m) Ferriston Roof Covering, (£0.014m) Pioneer Square Fire Panel, (£0.035m) Corporate Water Hygiene Legionella

### **Re-profile beyond 2020/21**

### **Wellbeing: Housing & Environmental Services:**

£183K North Oxfordshire Academy Astro turf - - currently under discussion

£43k Energy Efficiency schemes at leisure centres

£84k Bicester Leisure Centre extension

£30k Spiceball Leisure Centre bridge resurfacing

£490k Better Care Funding in relation to DFGs Covid significantly reduced activity in Q1 but is now picking up

£100k Thorpe Lane Depot Capacity Enhancement

£55k Bicester Country Park - - delays in purchasing and progression

£175k Vehicle replacement Programme - currently under review anticipating purchase delays and delivery lead times

### **Place & Growth:**

£849k Phase 1b Bicester Library and Admiral Holland

£9,893k Phase 2: The Trades and Labour Club, Nizewell Head, Park Road and Wykham Lane are unlikely to be developed so will need to be removed from the capital budget. We are still working on the land assembly for Bretch Hill and are about to submit a pre-application to planning Leys Close is also under discussion with the planners as they have issues relating to parking.



## **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 for August of this financial year 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 2020-21 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**

7.1 **Financial implications** are detailed within section 3.16 to 3.25 of this report.

Comments checked by:

Lorna Baxter, Executive Director Finance, 07393 001218, [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:

Sukdave Ghuman, Head of Legal and Deputy Monitoring Officer, [Sukdave.Ghuman@cherwell-dc.gov.uk](mailto:Sukdave.Ghuman@cherwell-dc.gov.uk)

**Risk implications** are detailed in Appendix 3.

7.3 This report contains a full update with regards to the Council's risk position at the end of the August. 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 Councillor**

Councillor Richard Mould – Lead member for Performance Management  
Councillor Tony Illott – Lead member for Finance and Governance

### **Document Information**

#### **Appendix number and title**

Appendix 1 2020/21 Business Plan  
Appendix 2 Monthly Performance Report  
Appendix 3 Leadership Risk Register  
Appendix 4 Capital Budget Monitoring

#### **Background papers**

None

#### **Report Author and contact details**

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