

Appendix 1 to Budget Planning Committee Report Cherwell District Council

Executive

06 September 2021

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 positions as at the end of July 2021.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the monthly Performance, Risk and Finance Monitoring Report and the quarterly Climate and Equality, Diversity and Inclusion action plans.
- 1.2 To approve use of reserves requested in Appendix 6.
- 1.3 To recommend to Council to include £1.240m Disabled Facilities Grant received and increase the associated scheme in the capital programme as shown in paragraph 3.23 and Appendix 6.




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 July 2021, 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 2021-22 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 corporate complaints report. Complaints received during the month are closely monitored and analysed. The mandatory lessons learned data continues to be implemented 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. The Leadership Risk Register and strategy are reviewed on an annual basis as part of the budget and business planning process, reflecting on the priorities of the council for the forthcoming year. The Leadership Risks reflected in this report have been thoroughly reviewed by CEDR and will continue to be updated on a monthly basis.
- 2.6 The main report details section is split into three parts:
- Performance Update
 - Leadership Risk Register Update
 - Finance Update
- 2.7 There are seven appendices to this report:
- Appendix 1 – 2021/22 Business Plan
 - Appendix 2 – Monthly Performance Report
 - Appendix 3 – Leadership Risk Register
 - Appendix 4 – Finance – Capital July
 - Appendix 5 – COVID Funding
 - Appendix 6 – Use of Reserves and Grant Funding
 - Appendix 7 – Aged Debt

3.0 Report Details

- 3.1 The Council's performance management framework sets out key actions, projects and programmes of work that contribute to deliver the refreshed 2021-22 business plan (see Appendix 1) and the priorities of the Council.
- 3.2 The 2021-22 business plan sets out four strategic priorities:
- Housing that meets your needs
 - Leading on 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	Tolerances for Business Plan Measures	Tolerances 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: 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:**

Homeless Prevention is recording Amber for July and for year to date. Due to the courts resuming eviction hearings the council has seen an increase in the number of families requiring emergency accommodation. As per the countywide Homelessness and Rough Sleeping Strategy, approved by Executive on 05th July, the team continues to be focused on early intervention to prevent homelessness.



Average time taken to process Housing Benefit change events is reporting Amber for July and Green for year to date (running slightly above target of 8.06 against target of 8.00 days). Due to one claim having a high number of days when assessed (over 1000 days). However, the target should be back to below target figures next month.

% of major planning applications determined to National Indicator is reporting Green for July and year to date. Another improvement from recorded Red, for both, month and year to date, last month. Whereas last month one major appeal was overturned, no major planning appeals were determined by the Planning Inspectorate, during July 2021.



Priority: Leading in environmental sustainability

- 3.6 The Council is committed to deliver on sustainability and in the commitment to be carbon neutral by 2030, promotes the Green Economy and increases recycling across the district.

This priority includes the protection of our natural environment and our built heritage, working in partnerships to improve air quality in the district and the reduction of environmental crime.

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

Develop the Country Parks to support good lifestyle choices is reporting Amber for July and year to date. Project Manager recruitment process is in place. The team is unable to quantify progress at this stage. Social media will be used to promote progress of the country park.

Reduction of fuel consumption used by fleet is reporting Green for July and Amber for year to date (40,257 against a target of 40,422 tonnes). An incredible recovery from last month's Red and Amber reported, thanks to a slight decrease in fuel usage, against the same time last year.

High Quality Waste and recycling service to residents to support a sustainable lifestyle is recording residual waste and dry recycling at the same levels as last year, continuing to show the team's commitment to providing a consistently high quality service delivery throughout the pandemic. As people continue working from home, the percentage of household waste recycled continues to be high, delivering at 57.5% against a national average of 46.2% (UK figure for 2019 published in July 2021 by DEFRA).



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:

Develop a Recovery and Prosperity Strategy (RPS) is reporting Green for July and year to date. Running slightly behind as the emerging ten-year Economic Strategy, for Cherwell, which has been reframed and refocused, as a ten-year post-COVID-19 Recovery and Prosperity strategy. A draft is being reviewed and prepared for consultation.



% of Council Tax collected, and Council Tax Base is reporting Amber for July and year to date (9.04% against target of 9.50%), slightly behind from last month's recorded target. The amount of Council Tax collected (2021/22) has risen to just over £116.3m, with recorded figure of 38.66% against a target of 39% collection, for the year. Whilst the in-month collection and year to date figures are both slightly short target, recovery action remains ongoing. Reminder notices continued to be issued and customers who have remained in arrears are being pursued through court action.



% of Business Rates collected, increasing NNDR Base is reporting Green for July and Red for year to date (9.78% against a target of 9.00%), a considerable recovery from last month's recorded target. The amount of business rates due in 2021/22, now, stands at £82.9m. The amount due has decreased from last month following contact from businesses either applying or requesting the removal of the expanded retail relief. These late notifications have impacted the collection rates, as changes to instalment-plans require 14 days-notice, therefore, businesses didn't pay July instalment, waiting for their account to be adjusted. We continue to formally recover arrears by issuing reminder notices and taking court action where appropriate.



Digital Consultation launched to shape the future of the OxCam Arc. The Oxford-Cambridge (OxCam) Arc is the name given to the area identified by government as a key economic priority with the potential to be one of the most prosperous, innovative and sustainable economic areas in the world. Made of five ceremonial counties: Oxfordshire, Bedfordshire, Buckinghamshire, Cambridgeshire, and Northamptonshire. People across the Oxford Cambridge Arc, and all with an interest in the area, will have the opportunity to contribute having their say to the long-term development of the area. Part of a government consultation initiative, with focus (by the panel) between Bedford and Cambridge, where the government is examining opportunities to bring forward well-designed, inclusive and sustainable places, for work and living.

Priority: Healthy, resilient and engaged communities

3.10 The Council is committed to enabling all residents to lead an active life, improving and developing the quality of local sports and leisure facilities and 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:

Report points the way to a zero carbon Oxfordshire. We are one of the organisations involved in commissioning the report committed to playing its role in delivering a zero carbon Cherwell and using its influence on cut emissions. The report acknowledges that Oxfordshire made rapid progress reducing carbon emissions, over the last decade, but with this momentum, is committed to facing challenges and building the work on zero carbon initiatives by reviewing report's findings with other Oxfordshire partner organisations.

Spiceball Leisure Centre footbridge reopens for summer. The footbridge over the River Cherwell linking Spiceball Leisure Centre to Spiceball Road has reopened after its closure during the development of Castle Quay Waterfront and it is the latest milestone achieved in the regeneration of this canal side destination, in Banbury, and will greatly improve public access to Spiceball Leisure Centre.



Summary of Performance

3.12 The Council reports monthly on performance against 28 Business Plan Measures, with 13 Programme Measures and 15 Key Performance Indicators. Full details, including commentary against each measure and key performance indicator can be found in Appendix 2.

Programme Measures and Key Performance Indicators (28)

Status	Description	July	%	YTD	%
Green	On target	24	86%	23	82%
Amber	Slightly off target	4	14%	4	14%
Red	Off target	0	0%	1	4%

Service in Focus - Housing & Social Care Commissioning

At Cherwell DC Executive on 5 July 2021 a countywide Homelessness and Rough Sleeping Strategy for 2021-26 was approved. It sets out early intervention to prevent homelessness and, also, commits to engage with people who have lived experience of homelessness to design and deliver homelessness prevention and support services in future, with:

- Vulnerable single adults - 9 additional units of accommodation provided for people that were homeless or at risk of rough sleeping. Using RSI 4, we continued the enhance outreach service and commissioned 16 'Housing First'¹ homes, extending the cold weather service until March 22, to provide emergency accommodation.
- Families and resettlement - 14 families supported to settle in the Cherwell, under the Vulnerable Persons Resettlement Scheme, with a further 4, by the end of March 2022. Feedback has been very positive about the Cherwell vulnerable persons resettlement service.
- Providing more affordable homes - Maximised Oxfordshire growth deal affordable housing programme funding 125 additional affordable homes to be delivered and launched a new draft Tenancy Strategy and Affordability Statement 2021, for public consultation, which sets out our expectations of Registered Providers to deliver more social rent and lifetime tenancies.
- Improving housing conditions and standards - Lunched a new Housing Standards Enforcement Policy to set out powers for the Council to regulate and improve housing and its approach to enforcement². Working cross authority with OCC trading standards on a new regulatory data management system Idox Cloud. Concluding two significant work-in-default jobs totalling £15k. Finally, we continue to advise landlord and tenants on responsibilities and tenancy relations through targeted emails and landlords' newsletter, with 1 illegal eviction case nearing completion.
- Helping people to stay independent at home - A new Disabled Adaptations Policy was approved, in March, resulting in 119 major disabled adaptations and 93 minor adaptations completed, such as, fitting 114 key-safes and 129 homes and repairs through the small repairs service.

¹<https://www.gov.uk/government/publications/housing-first-pilot-national-evaluation-reports/mobilising-housing-first-toolkit-from-planning-to-early-implementation>

²(Public Pack) Agenda Document for Executive, 05/07/2021 18:30 (cherwell.gov.uk)

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			L07		
	4 - Major		L08 - L15	L03 - L04 - L05 - L06 - L10	L01 - L16	
	3 - Moderate		L09	L02 - L11 - L13 - L17	L14 - L18	L12
	2 - Minor					
	1 - Insignificant					

- 3.15 The table below provides an overview of the Leadership Risk Register 21/22. This section of the report will update any significant changes on a monthly basis.

Leadership Risk	Score	Direction of travel	Latest Update
L01 Financial Resilience	16 High Risk	↔	Risk reviewed 30/07/21 - Potential impact and comments updated
L02 Statutory functions	9 Low Risk	↔	Risk reviewed 20/08/21 - Comments updated
L03 CDC Local Plan	12 Medium Risk	↔	Risk reviewed 10/08/21 - Comments updated
L04 Business Continuity	12 Medium Risk	↔	Risk Reviewed 09/08/21 – Comments updated
L05 Emergency Planning	12 Medium Risk	↔	Risk Reviewed 09/08/21 – No changes
L06 Health & Safety	12 Medium Risk	↔	Risk reviewed 30/07/21 – No changes
L07 Cyber Security	15 Medium Risk	↔	Risk Reviewed 30/07/21 - Mitigating actions updated
L08 Safeguarding the Vulnerable	8 Medium Risk	↔	Risk reviewed 11/08/21 - Risk owner updated
L09 Sustainability of Council owned companies and delivery of planned financial and other objectives.	6 Low Risk	↔	Risk reviewed 11/08/21 - Risk Manager updated

L10 Financial sustainability of third-party suppliers and contractors	12 Medium Risk	↔	Risk reviewed 11/08/21 - No changes
L11 Corporate Governance	9 Low Risk	↔	Risk reviewed 20/08/21- Mitigating actions and comments updated
L12 Oxfordshire Growth Deal	15 Medium Risk	↔	Risk reviewed 10/08/21 - Risk Manager and Comments updated
L13 Joint Working	9 Low Risk	↔	Risk reviewed 11/08/21 - No Update
L14 Legacy Shared Services Partnership – West Northamptonshire Council	12 Medium Risk	↔	Risk reviewed 11/08/21 - No Update
L15 Workforce Strategy	8 Medium Risk	↔	Risk reviewed 11/08/21- Comments updated
L16 Covid19 Community and Customers	16 High Risk	↔	Risk reviewed 24/08/21 – Comments updated
L17 Covid19 Business Continuity	9 Low Risk	↔	Risk reviewed 11/08/21 – No changes
L18 Post Covid19 Recovery	12 Medium Risk	↔	Risk reviewed 11/08/21 - No Update

During July the leadership risk register had no score changes. “L19 Elections May 2021” has been closed.

Finance Update

3.16 The Council's forecast position for 2021/22 at the end of July shows a £1.191m overspend as shown in Table 1. This is made up of potential non-delivery of savings targets of £0.566m and an overspend of £0.625m on business as usual costs as shown in Table 2.

3.17 Report Details

Table 1: Forecast Year End Position

Forecast overview - July 2021	Original Budget £m	Current Budget £m	Year End Position at July £m	July Variance (Under)/ Over £m	% Variance to current budget %	July Forecast Over / (Under) £m	Change since July (better) / worse £m
Environment and Place	6.699	9.970	11.205	1.235	12.4%	1.103	0.132
Customers, Org. Dev. And Resources	5.682	5.939	6.544	0.605	10.2%	0.429	0.176
Adults and Housing Services	1.844	2.957	2.977	0.020	0.7%	0.020	0.000
Public Health and Wellbeing	1.816	2.969	3.169	0.200	6.7%	(0.040)	0.240
Comm. Dev. Assets and Inv.	0.076	0.290	1.273	0.983	339.0%	0.268	0.715

Subtotal Directorates	16.117	22.125	25.168	3.043	13.8%	1.780	1.263
Executive Matters	2.769	(3.467)	(3.927)	(0.460)	(13.3%)	(0.477)	0.017
Policy Contingency	3.487	3.715	2.323	(1.392)	(37.5%)	(0.450)	(0.942)
Total	22.373	22.373	23.564	1.191	5.3%	0.853	0.338

FUNDING	(22.373)	(22.373)	(22.373)	0.000	0.0%	0.000	0.000
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(Surplus)/Deficit	0.000	0.000	1.191	1.191		0.853	0.338
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Table 2: Analysis of Forecast Variance – July

Breakdown of current month forecast	Forecast Variance	Forecast Base Budget Over/ (Under)	Savings Non-Delivery
	£m	£m	£m
Environment and Place	1.235	0.838	0.397
Customers, Org. Dev. And Resources	0.605	0.570	0.035
Adults and Housing Services	0.020	(0.020)	0.040
Public Health and Wellbeing	0.200	0.171	0.029
Comm. Dev. Assets and Inv.	0.983	0.918	0.065
Subtotal Directorates	3.043	2.477	0.566
Executive Matters	(0.460)	(0.460)	0.000
Policy Contingency	(1.392)	(1.392)	0.000
Total	1.191	0.625	0.566

FUNDING	0.000	0.000	0.000
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(Surplus)/(Deficit)	1.191	0.625	0.566
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3.18 Of the £0.566m savings not expected to be delivered in 2021/22, £0.497m of this is also not expected to be delivered in future years.

3.19 The Council is incurring costs and lost income during 2021/22 in relation to COVID-19 across all areas of the Council. The assumption is that costs/losses of income will be incurred generally until late July when COVID-19 restrictions will be lifted. However, there are some areas where there may be a prolonged change in behaviour. In particular lost income is forecast until the end of the financial year in car parking.

3.20 When the Council set its budget for 2021/22 the likely financial impact of COVID-19 was taken into consideration and budget provisions were made accordingly. The policy contingency budget of £3.715m includes funding for anticipated lost income and additional costs of COVID-19 in the 2021/22 financial year. In addition, the Council received £0.720m in COVID-19 grant and expects to claim £0.095m from the Sales, Fees and Charges compensation scheme which is open until the end of July. The forecast financial costs and loss of income associated with COVID-19 continue to be recorded and are shown in Table 3 as a memorandum item. These impacts are assumed within the overall forecast.

Table 3: COVID-19 Impacts included in the 2021/22 Outturn Forecast

COVID-19 Impacts 2021/22	£m
Environment and Place	0.425
Customers, Org. Dev. And Resources	0.004
Adults and Housing Services	0.000
Public Health and Wellbeing	0.230
Comm. Dev. Assets and Inv.	1.649
Subtotal Directorates	2.308
Executive Matters	(0.815)
Policy Contingency	0.000
Total	1.493

Note: Executive Matters holds the General COVID-19 funding received.

3.21 Report Details

Environment and Place

Environment and Place have forecast an overspend of £1.235m against a budget of £9.970m (12.4%). This forecast overspend includes £0.838m expected base budget costs and £0.397m in potential savings non-delivery

Environment and Waste	The forecast variance for Environmental Services for July is mostly due to continued pressure within Car Parks, £0.747m reduction in anticipated car parks income, (of which £0.353m is due to the impact of COVID-19). There is also a £0.107m increase in national non-domestic rates. Waste and recycling staffing cost due to the necessary use of agency staff is impacting outturn by £0.233m, there is a £0.049m reduction in expected income and fuel costs are expected to be £0.052m higher. This is offset in part by (£0.158m) savings on refuse disposal charges and a
Variation £1.062m overspend	
Variance to last month's forecast £0.107	

	reduction in gate fees plus other small variances across the service of £0.032m.
	The movement from July is due to an increase in staffing costs due to the required use of agency staff plus business waste and bulky collections and car park income levels are lower than expected.
Planning & Development	Planning and Development are forecasting a £0.083m overspend due to agency costs with other minor overspends of £0.005m across the service.
Variation £0.088m overspend	
Variance to last month's forecast £0.00m	
Growth & Economy	Growth and Economy's forecast of £0.085m overspend is made up of £0.030m consultancy costs and £0.055m corporate costs in relation to Oxford to Cambridge ARC and the annual Growth board contribution
Variation £0.085m overspend	
Variance to last month's forecast £0.025m	

Customers and Organisational Development

Customers & Organisational Development have forecast an overspend of £0.605m against a budget of £5.939m (10.2%). This forecast overspend includes £0.570m base budget costs and savings of £0.152m at risk of delivery.

HR/IT/Comms/Cultural Services	The forecast overspend of £0.121m in IT is due to a pressure on the delivery of savings required of £0.117m and small overspends across the service of £0.004m. A full review is underway to identify in-year mitigations including a review of joint working costs and potential savings through working with OCC, and the legacy costs associated with delivery of service to what was South Northants Council
Variation £0.185m overspend	
Variance to last month's forecast £(0.002m)	
	There is a pressure of £0.035m in the Comms Strategy and Insight savings proposal to deliver business administrative support to directors through a shared provision with OCC.
	HR and Cultural Services are largely on target with combined minor overspends totalling £0.029m

Finance

Variation
£0.420m
overspend

Variance to last
month's forecast
£0.178m

There is a forecast overspend for Revenue and Benefits due to £0.174m recovery of overpaid Housing Benefit subsidy by the Department of Works and Pensions. Project and recruitment costs relating to the establishment of the new Revenues and Benefits team has resulted in a forecast one-off overspend of £0.104m. In addition, a £0.048m overspend on insurance premiums, a £0.068m overspend on agency costs in Finance and £0.026m other small overspends across the service.

The movement of £0.178m from last month is due to the project and recruitment costs associated with the creation of the new Revenues and Benefits team.

Adults and Housing Services

Adults and Housing Services have forecast an overspend of £0.020m against a budget of £2.957m, (0.7%). This forecast overspend includes £0.020m base budget savings and £0.040m in potential savings non-delivery

Housing &
Social Care

The forecast outturn for Housing is expected to be largely on track with £0.020m overspends across the service

Variation
£0.020m
overspend

Variance to last
month's
forecast
£0.00m

Public Health & Wellbeing

Public Health & Wellbeing forecast an overspend of £0.200m against a budget of £2.969m (6.7%) This forecast overspend includes £0.171m within the base budget and £0.029m in potential savings non-delivery

Wellbeing

Wellbeing is forecasting an overspend of £0.200m. This is made up of £0.230m COVID-19 costs of which £0.180m relates to loss of benchmarking income in relation to the leisure contract. In addition, there are other savings of (£0.030m) across the service.

Variation
£0.200m
overspend

Variance to last
month's forecast
£0.240m

The Council has set aside a contingency for the COVID-19 costs, which will be brought into the accounts once the final outturn is known. The assumption within Policy Contingency is an underspend of £0.230m to offset this forecast overspend.

	The movement this month is due to the recognition of COVID-19 costs and other minor variances.
Healthy Place Shaping	Healthy Place Shaping are currently projecting to be on target.
Variation £0.000m	
Variance to last month's forecast £0.00m	

Commercial Development, Assets and Investments

The Directorate is forecasting an overspend of £0.983m against a budget of £0.290m (339.0%). This forecast overspend includes £0.918m base budget costs and £0.065m in potential savings non-delivery

Property	Castle Quay is anticipating a net overspend of £1.162m. £1.495m is due to loss of commercial income alongside additional void costs for empty units. Mitigating this slightly are potential savings of (£0.333m) on professional fees.
Variation £1.012m overspend	
Variance to last month's forecast £0.752m	The Council has set aside a contingency of up to £1.603m for these costs, which will be brought into the accounts once the final outturn is known. The assumption within Policy Contingency is an underspend of £1.162m to offset this forecast overspend which is an overall improved position of £0.441m.
	The movement from last month of £0.712m is following a review of anticipated Castle Quay income, and the forecast has been adjusted to reflect that the projected income not as high as previously expected.
	The rest of the Property service area is forecasting an underspend of (£0.150m). This is as a result of improved commercial income of (£0.085m) and staff savings of (£0.065m). This is a movement of £0.040m from July's forecast.
Procurement	Procurement are forecasting on track with budget
Variation (£0.000m) underspend	
Variance to last month's forecast £0.00m	
Law and Governance	Law and Governance's forecast overspend is due to £0.077m salary and employee cost pressures.

Variation
£0.077m
overspend

Variance to last
month's forecast
£0.001m

Growth and
Commercial

The underspend forecast is due to savings on a vacant post.

Variation
(£0.051m)
underspend

Variance to last
month's forecast
(£0.038m)

Regulatory
Services

The Regulatory Services forecast underspend is due to (£0.115m) underspend on staff costs and vacant posts offset by £0.065m forecast loss of licensing income plus other minor savings across the service.

Variation
(£0.055m)
underspend

Variance to last
month's forecast
£0.000m

Executive Matters

Executive Matters forecast is an underspend of (£0.460m) against the budget of (£3.467m) (-37.5%).

Interest

There is an underspend forecast against the budget of £0.435m for 2021/22 mostly as a result of lower interest rate on borrowings.

Variation
(£0.435m)
underspend

Variance to last
month's forecast
£0.000m

Corporate

The council is forecasting receipt of £0.095m COVID-19 funding as 75% compensation for lost Sales Fees and Charges Income from the Government for the period to 30th July 2021

Variation
(£0.095m)
underspend

Variance to last
month's forecast

£0.017m

External Audit Fees

External Audit fees are anticipated to be £0.070m more than budgeted due to higher than expected final 2019/20 audit fees and an increase in forecast for this year's audit.

Variation
£0.070m
overspend

Variance to last
month's forecast
£0.000m

Policy Contingency

Policy contingency is planned to meet the reduction in commercial income in Commercial Development, Assets and Investments and is forecasting an underspend of (£0.1162m), in addition (£0.230m) is forecast for the Leisure Contract benchmarking payments. There remains £1.392m unallocated after these assumptions are taken into account.

3.22 Forecast Earmarked Reserves and General Balances at July 2021

The table below is a summary of the level of reserves the council holds. Details of the proposed changes for June and July 2021 are set out in Appendix 6

Reserves	Balance 1 April 2021	Original Budgeted use/ (contribution)	Changes agreed since budget setting	Changes Proposed July 2021	Forecast Balance 31 March 2022
	£m	£m	£m	£m	£m
General Balance	(5.087)				(5.087)
Earmarked	(21.328)	(0.577)	1.276	0.048	(20.581)
Ringfenced Grant	(31.556)	22.073	4.934		(4.549)
Subtotal Revenue	(57.971)	21.496	6.210	0.048	(30.217)
Capital	(0.676)		0.020		(0.656)
Total	(58.647)	21.496	6.230	0.048	(30.873)

3.23 Government Grants

Appendix 6 sets out details of grant funding received by the Council in July 2021. As the value is in excess of £50,000, the Executive is asked to recommend to Council to include this funding and associated scheme in the Capital Programme:

- £1.240m Disabled Facilities Grant

3.2.4 Aged Debt

As at 30 June 2021 the Council had outstanding debt of £4.9m, of which £2.1m is current debt and £2.8m is in recovery. Of the £2.8m in recovery, £0.9m is over 120 days old. A review of debt over 120 days old will be carried out. Appendix 5 shows the profile of the Council's aged debt.

3.25 Capital

There is a forecast in-year underspend of (£2.854m), of which £2.604m is anticipated to be reprofiled in future years. There is an overall forecast decrease in the total cost of schemes of (£0.250m).

Forecast Capital Spend 2021/22

Directorate	Budget £m	Forecast Spend 2021/22 £m	Re- profiled beyond 2021/22 £m	Variance to Budget £m	Prior Month Variance £m
Housing Total	1.244	0.869	0.000	(0.375)	0.000
Comm Dev Assets total	28.630	26.767	1.809	(0.054)	(0.054)
Customers, Org Dev & Resources Total	1.314	1.126	0.225	0.037	0.038
Environment and Place Total	9.255	8.831	0.570	0.146	0.078
Public Health Wellbeing Total	0.505	0.501	0.000	(0.004)	0.014
Total	40.948	38.095	2.604	(0.250)	0.076

3.26 Forecast Variances

Housing:

Housing are forecasting an underspend of (£0.375m) due to reduced activity in delivering Disabled Facilities Grant works during the pandemic. Once approval has been given by Council, the capital programme will increase by £1.240m to reflect the 2021/22 DFG allocation as part of the broader Better Care Fund.

Commercial Development, Assets & Investments:

Property is forecasting to spend £26.752m across various capital schemes. Currently it is anticipated that only one project will recognise a saving and this is the Corporate Asbestos survey at (£0.054m). All other schemes are anticipating full utilisation of budget although some budget may need to be reprofiled into 2022/23 depending on progress made.

Customers Organisational Development & Resources:

ICT are currently forecasting a £0.037m overspend against the Land and Property Harmonisation Scheme. However, it is proposed to repurpose some of the budget relating to one of the other schemes – subject to approval.

Environment and Place:

Growth and Economy are forecasting to spend £5.546m by year end. This is an overspend of £0.146m of which £0.078m relates to retention payments due next year.

Public Health & Wellbeing:

Wellbeing are forecasting spend of £0.501m which is £0.010m over budget in relation to Community grants.

3.27 Re-profile beyond 2021/22

Commercial Development, Assets & Investments:

£1.809m Castle Quay Waterside - reprofiling of the budget beyond 2021/22 is necessary because retention payments will be due following the 12-month defect period from September 2021.

Environment and Place:

Growth and Economy

£0.160m BUILD! Repairs & Improvement (Town Centre Affordable Rent roof repairs) - further survey work is required to establish the specification for the necessary work. In preparation for the tender process structural surveys have revealed further work is required. Discussions are taking place with the freeholder regarding a revised warranty claim.

£0.017m Phase 2 - Bullmarsh Close formally completed early May 2021 and therefore retention payment is due 12 months later in May 2022.

£0.393m Phase 1b - Admiral Holland formally completed September 2020 and retention payment is due September 2022 (£0.061m). Bicester Library planning drawings will be discussed at September's Planning Committee, as a result 50% of the budget has been reprofiled beyond 2021/22. (£0.332m). This will be continually reviewed in line with Planning submission and outcome, approval to proceed and project programme.

Customers, Org Dev & Resources:

£0.075m IT Council Website & Digital Service - the programme of work is currently expected to complete in June 2022

£0.150m IT Shared Services - the programme of work is to extend into 2022/23 Financial Year. The supplier payment will be aligned with timeline

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 the forth month 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 2021-22 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 3.16 to 3.26 of this report.

Comments checked by:

Lorna Baxter, Executive Director Finance, 07393 001218, 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

Risk Implications

7.3 This report contains a full update with regards to the Council's risk position at the end of July 2021. A revised and refreshed risk management strategy is in place and the Leadership risk register has been fully reviewed.

Comments checked by:

Celia Prado-Teeling, Performance Team Leader, 01295 221556, Celia.prado-teeling@cherwell-dc.gov.uk

8.0 Decision Information

Key Decision (Executive reports only; state N/A if not Executive report)

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 Ilott – Lead member for Finance and Governance

Document Information

Appendix number and title

- Appendix 1 – 2021/22 Business Plan
- Appendix 2 – Monthly Performance Report
- Appendix 3 – Leadership Risk Register
- Appendix 4 – Finance – Capital July
- Appendix 5 – COVID Funding
- Appendix 6 – Use of Reserves and Grant Funding
- Appendix 7 – Aged Debt

Background papers

None

Report Author and contact details

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