

# **Cherwell District Council**

## **Director of Finance, and Head of Insight and Corporate Programmes**

**4 October 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 August 2021.

#### **1.0 Recommendations**

The meeting is recommended:

- 1.1 To note the monthly Performance, Risk and Finance Monitoring Report
- 1.2 To approve of the transfers to and from reserves on Appendix 7.

#### **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 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 eight appendices to this report:

- Appendix 1 – 2021/22 Business Plan
- Appendix 2 – Monthly Performance Report
- Appendix 3 – Leadership Risk Register
- Appendix 4 – Finance – Capital August
- Appendix 5 – Virement August
- Appendix 6 – COVID Funding
- Appendix 7 – Use of Reserves and Grants funding
- Appendix 8 – Service in Focus - Summer Hubs




### **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** reported Amber for August and for year to date due to staff absences, holidays and continued demands from clients presenting in crisis. The upstream work, on Homeless Prevention, has been limited. There is a danger this could result in more cases of clients reaching crisis point. Resources within the team are being assessed to create time for more upstream work.



**Homes improved through enforcement action** reported Red for August and Green for year to date (4 against target of 9 homes). Due to Delivery impacted by the resources needed to introduce a new data management and recording system, and the expected return to the target level, in September.

**% of major planning applications determined to National Indicator** reported Green for August and year to date. Still an improvement from recorded Red, for both, month and year to date, from June. There were no Non-Major Planning Application Appeals overturned.

**Average time taken to process Housing Benefit New Claims** reported Red for August and Green for year to date (18.42 against target of 15 days). Due to leave & sickness, plus another team member undergoing training (in readiness for the split from CSN), which impacted on the ability to meet the target.

**Major applications overturned at appeal** reported Red for August and for year to date (33% against a target of 10%). 1 Major Planning Appeal was overturned by the Planning Inspectorate, during August 2021, after a Public Inquiry.

### **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:**



**Reduction of fuel consumption used by fleet** reported Amber for August and year to date (36,199 against target of 34,864). Slightly increase, from last year, at this point. As previously stated, more vehicles are being used impacting figures in comparison with last year.

**Waste Recycled & Composted** reported Green for August and year to date (58% against 56%), due to materials collected running close to plan. Garden waste, which sometimes can be down, in August due to dry spells, has held up well.

**COP26 zero carbon tour** bus to visit Bicester. The 100 per cent electric bus is coming to show stories and encourage the minds of the world on the importance of tackling climate change, to local innovators and solution creators. Cherwell District Council has recognised the climate emergency and is committed to getting to net zero carbon, both as a council and as a district, by 2030.

**Environmental Crime** with all complaints of fly tipping investigated where evidence was found. It is hoped to reconvene interviews under caution in person back in the office rather than by letter, which will expediate the investigation process.

### **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:

#### **Council Tax collected, increase Council Tax Base**

reported Amber for August and for year to date (9.02 against target of 9.50%), due to the amount of Council Tax collected, which risen by approximately £1.5m. Whilst the in-month collection and year to date figures are both slightly short target, recovery action remains ongoing. Reminder notices continue to be issued and arrears remain being pursued through court action.



**Business Rates collected, increasing NNDR** reported Green for August and Red for year to date (10.44% against a target of 9.00%), the amount of business rates due to be collected stands at £82.5m. It has decreased, from last month, following contact from businesses either applying or requesting the removal of the expanded retail relief. These very late notifications have impacted the collection rates. Changes to instalment plans require 14 days' notice, therefore, businesses didn't pay because customers are waiting for their account to be adjusted. However, the team continues to formally recover arrears by issuing reminder notices and taking court action, where appropriate.

**Promote the district as a visitor destination** reported Green for August and year to date (58% against 56%), following the lifting of social restrictions in July, hospitality venues and visitor attractions are, now, fully open and welcoming domestic visitors. International visitor numbers remain low due to travel restrictions.

#### **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:



**Number of visits/usage of District Leisure Centre** reported Green for August and year to date. Usage figures were marginally down, against July 2021. However, this is not necessarily unexpected due to summer holiday periods. Relatively unseasonal weather meant that Outdoor Pool impacted numbers.

**Cherwell District Council keeps focusing on sourcing accommodation and identifying empty housing stock suitable for rehousing families** and is in discussions with the Ministry of Defence about the possibility of repurposing some of its property for this purpose. It has already identified 10 properties to house families fleeing Afghanistan and is working with local specialist agencies to develop a support package for the families to support in areas such as language skills, access to healthcare and education, voluntary sector support and advice, and support preparing to enter the job market. People in Cherwell who have donated items to support Afghan refugees are being thanked for their response to the situation. Some

of the items donated have already been distributed and gratefully received by arrivals at RAF Brize Norton from Afghanistan over recent days.

**Children attending council-led school holiday hubs** in north Oxfordshire have been treated to training sessions with a Team GB Paralympian. The Olympian to the Great Britain's football team, at London 2012, worked with youngsters at Cherwell District Council's summer holiday programme at Bicester Leisure Centre, Kidlington and Gosford Leisure Centre and The Cooper School, talking to them about his experiences and taking part in activities.

## Summary of Performance

- 3.12 The Council reports monthly on performance against 27 Business Plan Measures, with 12 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 (27)

Status	Description	August	%	YTD	%
Green	On target	21	78%	22	82%
Amber	Slightly off target	3	11%	3	11%
Red	Off target	3	11%	2	7%

### 3.13 Service in Focus – Wellbeing / Holiday Hubs

As part of our commitment to support healthy, resilient, and engaged communities, our activity hubs offer a healthy mix of sports, arts, craft and games to keep children aged 5 to 11 years happy during school holidays across the district. All sporting activities are delivered by qualified, and DBS cleared staff.

This summer the holiday programme was a huge success by providing physical activity provision and food for the first time across six venues throughout Cherwell. Children who are eligible for free school meals were able to access these fun days and food for free while we still offered the provision across the wider public.

Over the summer a massive 6500 attendances were taken up with 5000 of these being for children eligible for school meals. The feedback from children, parents and headteachers has been really positive explaining how this provision was a huge help over the summer to not only offer childcare but positive activities and role models.

For all details, please check the infographic on Appendix 8.

## Risk Update

- 3.14 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.
- 3.15 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		L06- L08 - L15	L03 - L04 - L05 - L10	L01 - L16	
	3 - Moderate		L09 -	L02 - L11 - L13 - L17- L18	L14	L12
	2 - Minor					
	1 - Insignificant					

- 3.16 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 14/09/21 - Comments updated
L02 Statutory functions	9 Low Risk	↔	Risk reviewed 20/08/21
L03 CDC Local Plan	12 Medium Risk	↔	Risk reviewed 15/09/21 – Mitigating actions and comments updated
L04 Business Continuity	12 Medium Risk	↔	Risk Reviewed 14/09/2021 - Comments and mitigating actions updated
L05 Emergency Planning	12 Medium Risk	↔	Risk Reviewed 14/09/2021 - No changes.
L06 Health & Safety	8 Medium Risk	↓	Risk reviewed 09/09/2021 - risk fully reviewed and updated. Residual score decreased
L07 Cyber Security	15 Medium Risk	↔	Risk Reviewed 15/09/2021 - Mitigating actions updated
L08 Safeguarding the Vulnerable	8 Medium Risk	↔	Risk reviewed 14/09/2021 - Risk description updated
L09 Sustainability of Council owned companies and delivery of planned financial and other objectives.	6 Low Risk	↔	Risk reviewed 14/09/2021 - Comments updated
L10 Financial sustainability of third-party suppliers and contractors	12 Medium Risk	↔	Risk reviewed 13/09/2021 - No changes
L11 Corporate Governance	9 Low Risk	↔	Risk reviewed 20/08/21

L12 Oxfordshire Growth Deal	15 Medium Risk	↔	Risk reviewed 15/09/2021 and Potential Impact; Controls; Mitigating Actions; and comments updated.
L13 Joint Working	9 Low Risk	↔	Risk reviewed 16/09/21 – Comments updated
L14 Legacy Shared Services Partnership – West Northamptonshire Council	12 Medium Risk	↔	Risk reviewed 16/09/21 – Comments updated
L15 Workforce Strategy	8 Medium Risk	↔	Risk reviewed 09/09/21 - Mitigating actions and comments updated
L16 Covid19 Community and Customers	16 High Risk	↔	Risk reviewed 15/09/2021 -Mitigating actions and comments updated
L17 Covid19 Business Continuity	9 Low Risk	↔	Risk reviewed 16/09/21 – Comments updated
L18 Post Covid19 Recovery	9 Low Risk	↓	Risk reviewed 16/09/21 - Comments updated, risk reduced

During August the leadership risk register had **two** score changes, “**L06 Health & Safety**” (score decreased from **12 Medium Risk** to **8 Medium Risk**) and “**L18 Post Covid19 Recovery**” (from **12 Medium Risk** to **9 Low Risk**). For full details please see Appendix 3 Leadership Register CDC.



## Finance Update

3.17 The Council's forecast position for 2021/22 at the end of August shows a £0.802m overspend as shown in Table 1. This is made up of potential non-delivery of savings targets of £0.635m and an overspend of £0.167m on business as usual costs as shown in Table 2. This is an improvement in the position reported last month of £0.389m.

## 3.18 Report Details

Table 1: Forecast Year End Position

Forecast overview - August 2021	Original Budget £m	Current Budget £m	Year End Position at August £m	August 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	11.141	1.171	11.7%	1.235	(0.064)
Customers, Org. Dev. And Resources	5.682	5.957	6.511	0.554	9.3%	0.605	(0.051)
Adults and Housing Services	1.844	2.957	2.972	0.015	0.5%	0.020	(0.005)
Public Health and Wellbeing	1.816	2.969	3.129	0.160	5.4%	0.200	(0.040)
Comm. Dev. Assets and Inv.	0.076	0.272	1.259	0.987	362.9%	0.983	0.004
<b>Subtotal Directorates</b>	<b>16.117</b>	<b>22.125</b>	<b>25.012</b>	<b>2.887</b>	<b>13.0%</b>	<b>3.043</b>	<b>(0.156)</b>
Executive Matters	2.769	(3.467)	(3.924)	(0.457)	-13.2%	(0.460)	0.003
Policy Contingency	3.487	3.715	2.087	(1.628)	-43.8%	(1.392)	(0.236)
<b>Total</b>	<b>22.373</b>	<b>22.373</b>	<b>23.175</b>	<b>0.802</b>	<b>3.6%</b>	<b>1.191</b>	<b>(0.389)</b>
<b>FUNDING</b>	<b>(22.373)</b>	<b>(22.373)</b>	<b>(22.373)</b>	<b>0.000</b>	<b>0.0%</b>	<b>0.000</b>	<b>0.000</b>
<b>(Surplus)/Deficit</b>	<b>0.000</b>	<b>0.000</b>	<b>0.802</b>	<b>0.802</b>		<b>1.191</b>	<b>(0.389)</b>

**Table 2: Analysis of Forecast Variance – August**

<b>Breakdown of current month forecast</b>	<b>Forecast Variance</b>	<b>Forecast Base Budget Over/ (Under)</b>	<b>Mitigations</b>	<b>Savings Non-Delivery</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Environment and Place	1.171	0.767	0.000	0.404
Customers, Org. Dev. And Resources	0.554	0.442	0.000	0.112
Adults and Housing Services	0.015	0.005	(0.030)	0.040
Public Health and Wellbeing	0.160	0.131	0.000	0.029
Comm. Dev. Assets and Inv.	0.987	0.985	(0.048)	0.050
<b>Subtotal Directorates</b>	<b>2.887</b>	<b>2.330</b>	<b>(0.078)</b>	<b>0.635</b>
Executive Matters	(0.457)	(0.457)	0.000	0.000
Policy Contingency	(1.628)	(1.628)	0.000	0.000
<b>Total</b>	<b>0.802</b>	<b>0.245</b>	<b>(0.078)</b>	<b>0.635</b>
<b>FUNDING</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>(Surplus)/Deficit</b>	<b>0.802</b>	<b>0.245</b>	<b>(0.078)</b>	<b>0.635</b>

- 3.19 Of the £0.635m savings not expected to be delivered in 2021/22, £0.566m of this is also not expected to be delivered in future years. To partly mitigate against the non-delivery of savings £0.030m Homelessness prevention reserve within Adults and Housing Services will be utilised and a saving of £0.048m has been declared relating to a vacancy within Commercial Development Assets and Investments Directorate.
- 3.20 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 restrictions were 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.
- 3.21 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 June. 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 Impacts included in the 2021/22 Outturn Forecast**

<b>Covid Costs 2021/22</b>	<b>£m</b>
Environment and Place	0.430
Customers, Org. Dev. And Resources	0.004
Adults and Housing Services	0.000
Public Health and Wellbeing	0.230
Comm. Dev. Assets and Inv.	2.006
<b>Subtotal Directorates</b>	<b>2.670</b>
Executive Matters	(0.815)
Policy Contingency	0.000
<b>Total</b>	<b>1.855</b>

Note: Executive Matters holds the General Covid funding received.

### 3.22 Report Details

#### Environment and Place

Environment and Place have forecast an overspend of £1.171m against a budget of £9.970m (11.7%). This forecast overspend includes £0.767m expected base budget costs and £0.404m in potential savings non-delivery

Environment and Waste	The forecast variance for Environmental Services for August is mostly due to continued pressure within Car Parks, £0.752m reduction in anticipated car parks income, (of which £0.358m 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 £0.244m, there is a £0.052m reduction in expected income and fuel costs are expected to be £0.054m higher. This is offset in part by (£0.169m) savings on refuse disposal charges and a reduction in gate fees plus other small variances across the service of £0.021m.
Variation £1.061m overspend	
Variance to last month's forecast (£0.001)m	

<p>Planning &amp; Development</p> <p>Variation £0.015m overspend</p> <p>Variance to last month's forecast (£0.073m)</p>	<p>Planning and Development are forecasting a £0.015m overspend due to various small variances across the service.</p> <p>The movement this month has been driven by vacancies that have not been filled as expected.</p>
<p>Growth &amp; Economy</p> <p>Variation £0.095m overspend</p> <p>Variance to last month's forecast £0.010m</p>	<p>Growth and Economy's forecast of £0.095m overspend is made up of £0.030m consultancy costs, £0.010m relocation costs of tenants of Town Centre House and £0.055m corporate costs in relation to Oxford to Cambridge ARC and the annual Growth board contribution.</p>

## **Customers and Organisational Development**

Customers & Organisational Development have forecast an overspend of £0.554m against a budget of £5.957m (9.3%). This forecast overspend includes £0.442m base budget costs and savings of £0.112m at risk of delivery.

<p>HR/IT/Comms/Cultural Services</p> <p>Variation £0.150m overspend</p> <p>Variance to last month's forecast (£0.035m)</p>	<p>The forecast overspend of £0.121m in IT is mainly due to a pressure on savings of £0.112m due to a reduced contribution from SNC and the requirement to make a contribution to OCC. This and other areas are being reviewed to mitigate the overspend. Other small overspends across the service total £0.025m.</p> <p>There is a pressure of £0.020m in the Comms Strategy and Insight savings proposal to deliver business administrative support to directors through a shared provision with OCC.</p> <p>HR and Cultural Services are largely on target with combined minor overspends totalling £0.009m</p>
<p>Finance</p> <p>Variation</p>	<p>There is a forecast overspend for Revenue and Benefits due to £0.174m recovery of overpaid</p>

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£0.404m  
overspend

Variance to last  
month's forecast  
(£0.016m)

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 £0.060m overspend on insurance premiums, a £0.054m overspend on agency costs in Finance and £0.026m other small overspends across the service.

The movement of (£0.016m) from last month is due to the administrative portion Test and Trace Grant being received.

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## **Adults and Housing Services**

Adults and Housing Services have forecast an overspend of £0.015m against a budget of £2.957, (0.5%). This forecast overspend includes (£0.025m) base budget savings and £0.040m in potential savings non-delivery

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Housing &  
Social Care

Variation  
£0.015m  
overspend

Variance to last  
month's  
forecast  
(£0.005)

The forecast outturn for Housing is expected to be largely on track with £0.015m overspends across the service.

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## **Public Health & Wellbeing**

Public Health & Wellbeing forecast an overspend of £0.160m against a budget of £2.969m (5.4%). This forecast overspend includes £0.131m within the base budget and £0.029m in potential savings non-delivery

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Wellbeing

Variation  
£0.160m  
overspend

Variance to last  
month's forecast  
(£0.040m)

Wellbeing is forecasting an overspend of £0.160m. 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 (£0.070m) across the service.

The Council has set aside a contingency for the Covid 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.

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Healthy Place  
Shaping

Healthy Place Shaping are currently projecting to be on target.

Variation  
£0.000m

Variance to last  
month's forecast  
£0.000m

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

The Directorate is forecasting an overspend of £0.987m against a budget of £0.272m (362.9%). This forecast overspend includes £0.937m base budget costs and £0.050m in potential savings non-delivery

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Property

In line with expectations, Castle Quay is anticipating net reduction in income of £1.398m for the financial year. £1.852m is due to reduction in commercial income and additional void costs for empty units associated with the impact of Covid-19. Offsetting this are potential savings of (£0.453m) on professional fees. Income levels for the current year are 70% of pre pandemic levels and are anticipated to rise to 91% of pre pandemic levels in 2022/23.

Variation  
£1.398m  
overspend

Variance to last  
month's  
forecast  
£0.236m

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 £1.398m to offset this forecast overspend.

The rest of the Property service area is forecasting an underspend of (£0.370m). This is as a result of improved commercial income of (£0.150m), staff savings of (£0.190m) and (£0.30m) various underspends across the department.

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Procurement

Procurement are forecasting on track with budget.

Variation  
(£0.000m)  
underspend

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Variance to last  
month's  
forecast  
£0.00m

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Law and  
Governance

Law and Governance's forecast overspend is due  
to £0.052m salary and employee cost pressures.

Variation  
£0.052m  
overspend

Variance to last  
month's  
forecast  
£0.025m

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Growth and  
Commercial

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

Variation  
(£0.048m)  
underspend

Variance to last  
month's  
forecast  
(£0.003m)

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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  
(£0.045m)  
underspend

Variance to last  
month's forecast  
£0.010m

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## **Executive Matters**

Executive Matters forecast is an underspend of (£0.457m) against the budget of (£3.467m) (13.2%).

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Interest

There is an underspend forecast against the  
budget of £0.432m for 2021/22 mostly as a result of  
lower interest rate on borrowings.

Variation  
(£0.432m)  
underspend

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Variance to last month's forecast  
£0.003m

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Corporate

Variation  
(£0.095m)  
underspend

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 30<sup>th</sup> June 2021

Variance to last month's forecast  
£0.017m

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External Audit Fees

Variation  
£0.070m  
overspend

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.

Variance to last month's forecast  
£0.000m

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### **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 (£1.398m), in addition (£0.230m) is forecast for the Leisure Contract benchmarking payments. There remains £1.142m unallocated after these assumptions are taken into account.

### **3.23 Forecast Earmarked Reserves and General Balances at August 2021**

The table below is a summary of the level of reserves the council holds. Details of the proposed changes for July and August 2021 are set out in Appendix 8

Reserves	Balance 1 April 2021	Original Budgeted use/ (contribution)	Changes proposed as part of outturn	Changes Proposed August 2021	Forecast Balance 31 March 2022
	£m	£m	£m	£m	£m
General Balance	-5.087				-5.087
Earmarked	-21.328	-0.577	1.756	-0.340	-20.489
Ringfenced Grant	-31.556	22.073	4.934	0.000	-4.549
<b>Subtotal Revenue</b>	<b>-57.971</b>	<b>21.496</b>	<b>6.690</b>	<b>-0.340</b>	<b>-30.125</b>
Capital	-0.676		0.020		-0.656



<b>Total</b>	<b>-58.647</b>	<b>21.496</b>	<b>6.710</b>	<b>-0.340</b>	<b>-30.781</b>
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### 3.24 Government Grants

Appendix 8 sets out details of grant funding received by the Council, however, this month the value was zero.

### 3.25 Capital

There is a forecast in-year underspend of £3.221m, of which £2.917m is anticipated to be reprofiled in future years. There is an overall forecast decrease in the total cost of schemes of £0.304m.

#### Forecast Capital Spend 2021/22

<b>Directorate</b>	<b>Budget £m</b>	<b>Forecast Spend 2021/22 £m</b>	<b>Re- profiled beyond 2021/22 £m</b>	<b>Variance to Budget £m</b>	<b>Prior Month Variance £m</b>
Housing Total	1.244	0.806	0.063	(0.375)	(0.375)
Comm Dev Assets total	28.577	26.464	2.059	(0.054)	(0.054)
Customers, Org Dev & Resources Total	1.314	1.044	0.225	(0.045)	0.037
Environment and Place Total	9.308	8.880	0.570	0.142	0.146
Public Health Wellbeing Total	0.557	0.553	0.000	(0.004)	(0.004)
<b>Total</b>	<b>41.000</b>	<b>37.747</b>	<b>2.917</b>	<b>(0.337)</b>	<b>(0.250)</b>

### 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. It is expected that the capital programme will increase by £1.240m due to the 2021/22 Better Care Allocation once approval has been given by Council until this has been agreed, the spend reflects forecasts against the existing budget.

#### Commercial Development, Assets & Investments:

Property are forecasting to spend £26.464m 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 to 2022/23 depending on progress made.

Regulatory Services are forecasting to spend £0.015m this year to enable agile working.

### **Customers Organisational Development & Resources:**

ICT are currently forecasting a 0.033m overspend against the Land and Property Harmonisation Scheme. However, they will be applying to repurpose some of the budget relating to one of the other schemes –subject to approval, there is zero overall impact. Finance are currently forecasting a £0.045m underspend against the finance system project, however, this underspend is planned to be used for the Capital P360 project, subject approval.

### **Environment and Place:**

Growth and Economy are forecasting to spend £5.459m by year end. This is an overspend of £0.149m of which £0.078m relates to retention payments due next year.

### **Public Health & Wellbeing:**

Wellbeing are forecasting spend of £0.553m which is £0.010m over budget in relation to Community grants.

## **3.27 Re-profile beyond 2021/22**

### **Commercial Development, Assets & Investments:**

£1.859m 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.

£0.100m Housing & IT Asset system (joint with OCC) - The IT spend will only happen once the restructure of the joint team comes to that stage that we can start procuring a joint system called 'Single View of Assets'. This is likely to happen next financial year.

£0.100m Feasibility of utilisation of proper space - spend is now expected in the next financial year.

### **Environment and Place:**

#### **Growth and Economy**

£0.160m BUILD! Repairs & Improvement - 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 fifth 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 Implications**

7.1 Financial implications are detailed within section 3.17 to 3.27 of this report.

Comments checked by:

Lorna Baxter, Director of 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**

- 7.3 This report contains a full update with regards to the Council's risk position at the end of August 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](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 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 August
- Appendix 5 – Virement August
- Appendix 6 – COVID Funding
- Appendix 7 – Use of Reserves and Grants funding
- Appendix 8 – Service in Focus - Summer Hubs

### **Background papers**

None

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

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