

Cherwell District Council

Executive

10 January 2022

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 November 2021.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the monthly Performance, Risk and Finance Monitoring Report.
- 1.2 To approve the changes in use of reserves 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 November 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 ELT (Extended Leadership Team) 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 ELT 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 - November
- Appendix 3 – Leadership Risk Register
- Appendix 4 – Finance Capital Nov
- Appendix 5 – Virements Nov
- Appendix 6 – COVID funding
- Appendix 7 – Use of reserves Nov




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:

Number of Housing Standards interventions reported Red for November and Green for year to date (41 against target of 55). The team recorded 41 interventions, result of a reduced number of service requests. Overall, performance is ahead of target, with an average of 58 interventions, per-month to-date. Proactive work is planned for January relating to Homes Multiple Occupancy (HMO) audits and additional proactive work that can be undertaken, in Quarter 4, should figures not increase.

Average time taken to process Housing Benefit New Claims reported Red for November and Green for year to date (16.86 against target of 15.00). Again, significant increase in the numbers of new claims, with a knock-on effect expected in consequence. We are obliged to give claimants a month to supply evidence to support their claims or they become defective (which takes 30+ days to reach a decision). Those were in large numbers last month, which increased the average number of days to deal with claims. We have additional resources for dealing with new claims, and now able to chase claimants to supply information sooner. The 15 days' set target for this measure is three days less than England's average (18 days).

Homeless Prevention reported Green for November and Amber for year to date. The Annual rough sleeper estimate reported six rough sleepers recorded, on a typical night, down from ten the previous year, and slightly above the target of five. A revised Allocations Scheme was activated on first December 2021. Our focus is on more ambitious prevention work, securing additional funding to assist households at risk, through the pandemic, to reduce numbers reaching crisis and requiring temporary accommodation. The effects of the pandemic have not yet been fully realised, and resources are being focused on continuing early intervention.



Homes improved through enforcement action reported Green for November and year to date (9 against target of 9). We were able to complete nine home improvements through our interventions. Overall, the performance is on track to meet the annual set target.

Priority: Leading on 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 November and year to date (38,736 against target for the month of 36,958). A slight increase in consumption in comparison with the same period last year, collection tonnages continue to be high with more vehicles being utilised. However, a lot also is being done to minimise fuel consumption, such as: driver performance league tables to support efficient driving and night heaters to heat the vehicles so they are not running with engines idling on cold mornings, between others. The service aims to get electric vehicles as and when viable.



% of Waste Recycled and Composted is reporting Red for November and Amber for year to date (40.51% against target of 56%). Garden waste was down over 600 tonnes due to seasonality and glass tonnage is down 400+ tonnes, due to hospitality sector reopening fully, which translates to higher business waste collection, but less household glass recycled. Recycling is on track to reach its target of 56% by the end of year. Cherwell's delivery is strong for this year in comparison with similar authorities (England's average is 45.7%), with a year to date delivering 55.7% against a target of 56%

Ensure Clean & Tidy Streets is reporting Green for November and year to date. Covering all areas of the day-to-day workload without any issues. Also, the team received praises by councillors for the recent Remembrance Day standards of cleanliness in all urban centres across the District.

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 of Council Tax Base is reporting Amber for November and year to date (9.07% against target of 9.25%). As of 1st December 2021, the amount of council tax due was just short of £117.3m and the year-to-date collection rate is 74.67% (against a target of 76.00%). Collection rates have been impacted by the ongoing pandemic and the end of the furlough scheme. Reminder notices have been issued to customers in arrears, and should payment not be forthcoming, formal recovery action through the courts will commence.

Business Rates collected, increasing NNDR Base is reporting Green for November and Amber for year to date (10.69% against target of 9.00%). Slowly on way to achieve target for the year. Collection during this financial year isn't

comparable to 2020/21, due to the re-billing in June 2021, following the changes to the retail rate relief scheme. However, the percentage collected, for November, is higher than in previous years. Cumulative collection rate is slightly below target, also due to the re-billing, which increased at the latter part of the financial year. Reminder notices have been issued to customers in arrears and formal recovery action through the courts will commence.

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:



Vouchers will help with winter essentials –

Households who struggle to afford life's essentials over winter were being encouraged to talk to Citizens Advice about a new voucher scheme. We have set up the targeted programme using the government's Household Support Fund, to help pay for vulnerable households' food, energy, water bills, and other costs, including clothing and replacements or repairs for white goods or essential transport costs. The scheme is not only open to those on benefits, but also, to those households' in specific situation of need.

The Youth Activator programme has been delivered in 38 schools so far this year and had over 7500 attendances, which includes the mental health programme in primary schools (delivered at eight schools across the District so far). This programme has now expanded into three secondary schools for year seven students as a key transition year.

Summary of Performance

- 3.12 The Council reports monthly on performance against **27** monthly 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	November	%	YTD	%
Green	On target	22	82%	21	78%
Amber	Slightly off target	2	7%	6	22%
Red	Off target	3	11%	0	0%

- 3.13 Climate Action Programme – November update

This report updates Executive on the delivery of the 22 Cherwell District Council and joint (with Oxfordshire County Council) priority actions set by the Climate Action Programme Board for 2021/22. By the end of November, actions were rated as follows:

Status	Description	November	November %
Green	On target	15	68.2%
Amber	Slightly off target	5	22.7%
Red	Off target	1	4.5%
Completed		1	4.5%

The CDC Climate Action Programme is on track (73% actions on track or completed), with no programme risks to report.

November highlights:

- Park and Charge electric vehicle chargers being installed at Curtis Place (Kidlington) and Windsor Street (Banbury) council car parks
- Local Plan Options Paper consultation closed 10 November 2021; over 800 representations received.
- 20 homes greenlighted for energy efficiency measures funded by Green Homes Grant

3.14 Service in Focus – Cherwell District Council’s Healthy Place Shaping team

Cherwell’s healthy place shaping team sits within the wellbeing directorate with strong links to Oxfordshire’s Public Health department. The five strong team (four Full Time Employee) is responsible for place-specific programmes and partnerships, designed to make it easy for residents to live happy healthy lives. This includes the delivery of healthy place shaping projects (for example, the zoo trail health walks in Kidlington), support of other Cherwell-led wellbeing programmes (for example, sport and leisure’s FAST initiative), liaison with planning officers to ensure that healthy place shaping principles are reflected in the Local Plan and new development, as well as providing help to partners with their own programmes (from small community groups through to county wide organisations such as Active Oxfordshire). The team was created to roll out the successful approach developed through the Healthy New Town programme in Bicester, sustaining the work in Bicester and extending the benefits to Kidlington and Banbury. It works closely with other wellbeing services to ensure a joined up approach to supporting residents who experience poor health outcomes, particularly in Banbury, with its long standing Brighter Futures Partnership. It is responsible for delivering specific projects, but its greatest impact is by connecting partners together across health, social care and the voluntary sector and supporting them to coordinate their efforts to reduce health inequalities in the District.

What does healthy place shaping involve?

While each ‘place’ has a bespoke programme (specifically designed with partners), there are three core workstreams across each delivery plan:

The Built Environment: making best use of an area’s built environment to encourage healthy living. Examples include our wayfinding health walks in Kidlington and Banbury as well as the blue line routes in Bicester.

Community Activation: helping local people to live healthier lives with the support of community groups, schools, and employers. Examples include our active Facebook pages (@HealthyBicester and @K5BetterTogether) as well as

our work to promote cycling through activities during The Women’s Tour bike race and supporting CDC’s sport and leisure team to highlight further opportunities in schools.

New Models of Care: delivering new approaches to care closer to home and minimising hospital-based care. Examples include an innovative pilot programme to better support patients with long term health conditions and to take pressure off GP services. Group video consultations are being offered to residents in Bicester, Islip, Kidlington and Yarnton in addition to their regular GP care. It gives people an extra 40 minutes with a health care professional, in a supported environment, alongside others with similar conditions. Early feedback has been extremely positive with comments including: “I found it really valuable and felt heard and validated”.

What are the objectives of healthy place shaping?

The strategic framework shown below outlines the range of strategic objectives that these place based partnerships are seeking to deliver. As a result of the pandemic and the increased importance of addressing mental wellbeing as well as physical health needs, activity has prioritised promotion of access to nature and green spaces, supporting active travel, promoting self-care and peer support and enhancing the resilience and capacity of community groups.

Healthy Place Shaping Strategic Framework		
<p>Built Environment</p> <ul style="list-style-type: none"> - developing healthy homes - increasing access to green spaces <ul style="list-style-type: none"> - supporting active, sustainable travel - developing connected communities - increasing access to sustainable healthy food environments - supporting Healthy High Streets and 20 minute neighbourhoods - supporting access to flexible community facilities 	<p>Community Activation</p> <ul style="list-style-type: none"> - promoting healthy eating <ul style="list-style-type: none"> - reducing loneliness - promoting physical activity - supporting community resilience and capacity - promoting an inclusive economy - supporting workplace wellbeing <ul style="list-style-type: none"> - encouraging local stewardship - supporting community cohesion - reducing digital exclusion 	<p>New models of care</p> <ul style="list-style-type: none"> - promoting self care and peer support <ul style="list-style-type: none"> - supporting health enabling conversations - supporting social prescribing - enabling population health management and neighbourhood working - supporting preventive models of health and social care - supporting the NHS and planners to provide facilities that support new models of care

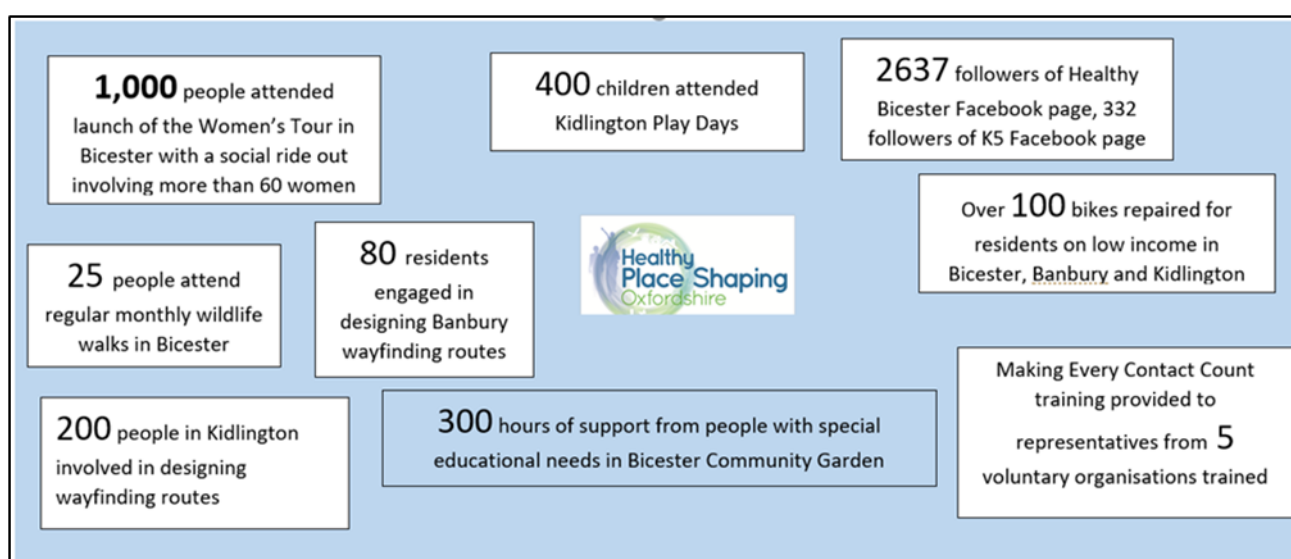
Our places

Bicester’s healthy place shaping project is gaining momentum year on year, building on its initial successes (including the blue line health walks) while seeking to bring further benefits for residents The Wild Bicester programme which helps to connect people to nature for their mental wellbeing will now be extended for a further two years, sustained in Banbury and expanded to Kidlington.

The Kidlington partnership – K5 Better Together - started in the autumn of 2019 and despite COVID has brought a number of wellbeing programmes to the village. These include the zoo trails, Dr Bike sessions (free bicycle servicing) and the creation of a new Junior Park Run.

In Banbury, the team has access to the already well-established network of organisations and groups which Cherwell's communities team support, including the Brighter Futures Partnership. This has allowed the healthy place shaping team to work at speed, using COVID recovery funds, to implement new health walks in Grimsbury, Neithrop and Ruscote. In 2022 we will be working with local schools and the sports and leisure team to encourage teenage girls to access parks and better connect with nature.

Although the pandemic has put some partner activities on hold and made public engagement challenging, much has been achieved in 2021. The infographic below outlines some highlights:



Climate action and healthy place shaping

Healthy place shaping is also inextricably linked to the work the council is doing on climate action. The people suffering from the greatest health inequalities are the same groups most vulnerable to climate change. Similarly, projects involving healthy place shaping have co-benefits for climate actions, such as promoting active travel (improving wellbeing and reducing carbon emissions) and delivering new models of care (creating innovative patient-focussed healthcare, taking pressure off the NHS thus reducing their carbon footprint). The healthy place shaping team are fully aware of the potential benefits the programme can have on Cherwell's carbon footprint and sees one of its greatest impacts as being the influence it can have on other organisations to make their own commitments for climate action.

Risk Update

3.15 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.

3.16 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		L12
	2 - Minor	L14				
	1 - Insignificant					

3.17 The table below provides an overview of the Leadership Risk Register 21/22

Leadership Risk	Score	Direction of travel	Latest Update
L01 Financial Resilience	16 High Risk	↔	07/12/21 - Mitigations and Comments updated.
L02 Statutory functions	9 Low Risk	↔	13/12/2021 – No changes.
L03 CDC Local Plan	12 Medium Risk	↔	13/12/2021 – No changes.
L04 Business Continuity	12 Medium Risk	↔	13/12/2021 - Comments updated.
L05 Emergency Planning	12 Medium Risk	↔	13/12/2021 - Comments updated.
L06 Health & Safety	8 Low Risk	↔	07/12/2021 - Comments updated.
L07 Cyber Security	15 Medium Risk	↔	13/12/2021 - No changes.
L08 Safeguarding the Vulnerable	8 Low Risk	↔	07/12/2021 – Comments updated
L09 Sustainability of Council owned companies and delivery of planned financial and other objectives.	6 Low Risk	↔	13/12/2021 - No changes.
L10 Financial sustainability of third-party suppliers and contractors	12 Medium Risk	↔	13/12/2021 - No changes.
L11 Corporate Governance	9 Low Risk	↔	16/11/2021 - Comments updated.
L12 Oxfordshire Growth Deal	15 Medium Risk	↔	13/12/21 – No changes.
L13 Joint Working	9 Low Risk	↔	13/12/2021 – Mitigating actions updated
L14 Legacy Shared Services Partnership – West Northamptonshire Council	2 Low Risk	↓	13/12/2021 - Residual Risk reduced.
L15 Workforce Strategy	8 Medium Risk	↔	02/12/21 – Mitigating actions updated
L16 COVID-19 Community and Customers	16 High Risk	↔	14/12/2021 - Mitigating Actions and Comments updated
L17 COVID-19 Business Continuity	9 Low Risk	↔	13/12/2021 – Comments updated
L18 Post COVID-19 Recovery	9 Low Risk	↔	13/12/2021 - Comments updated

During November the leadership risk register had one score change L14 Legacy Shared Services Partnership – West Northamptonshire Council reduce its score further from 4 Low Risk to 2 Low Risk, this risk will be removed from the register at year end.

Finance Update

3.18 The Council's forecast position for 2021/22 at the end of November shows a £0.155m overspend as shown in Table 1. This is made up of potential non-delivery of savings targets of £0.691m and an underspend of (£0.536m) on business-as-usual costs as shown in Table 2.

3.19 Report Details

Table 1: Forecast Year End Position

Forecast overview - November 2021	Original Budget £m	Current Budget £m	Year End Position at October £m	November Variance (Under) / Over £m	% Variance to current budget %	October variance (Under) / Over £m	Change since October (better) / worse £m
Environment and Place	6.699	10.083	11.185	1.102	10.9%	1.138	(0.036)
Customers, Org. Dev. And Resources	5.682	6.408	6.444	0.036	0.6%	0.266	(0.230)
Adults and Housing Services	1.844	2.700	2.600	(0.100)	-3.7%	(0.080)	(0.020)
Public Health and Wellbeing	1.816	2.969	2.969	0.000	0.0%	0.085	(0.085)
Comm. Dev. Assets and Inv.	0.076	1.438	0.975	(0.463)	-32.2%	(0.265)	(0.198)
Subtotal Directorates	16.117	23.598	24.173	0.575	2.4%	1.144	(0.569)
Executive Matters	2.769	(3.338)	(3.659)	(0.321)	-9.6%	(0.320)	(0.001)
Policy Contingency	3.487	2.113	2.014	(0.099)	-4.7%	(0.169)	0.070
Total	22.373	22.373	22.528	0.155	0.7%	0.655	(0.500)
FUNDING	(22.373)	(22.373)	(22.373)	0.000	0.0%	0.000	0.000
(Surplus)/Deficit	0.000	0.000	0.155	0.155		0.655	(0.500)

Table 2: Analysis of Forecast Variance – November

Breakdown of current month forecast	Forecast Variance	Forecast Base Budget Over/ (Under)	Mitigations	Savings Non-Deliver Y
	£m	£m	£m	£m
Environment and Place	1.102	0.834	(0.218)	0.486
Customers, Org. Dev. And Resources	0.036	0.050	(0.112)	0.098
Adults and Housing Services	(0.100)	(0.060)	(0.090)	0.050
Public Health and Wellbeing	0.000	0.052	(0.052)	0.000
Comm. Dev. Assets and Inv.	(0.463)	(0.344)	(0.173)	0.054
Subtotal Directorates	0.575	0.532	(0.645)	0.688
Executive Matters	(0.321)	(0.321)	0.000	0.000
Policy Contingency	(0.099)	(0.099)	0.000	0.000
Total	0.155	0.112	(0.645)	0.688
FUNDING	0.000	0.000	0.000	0.000
(Surplus)/Deficit	0.155	0.112	(0.645)	0.688

3.20 Of the £0.688m savings not expected to be delivered in 2021/22, £0.548m of this is also not expected to be delivered in future years.

To partly address against the forecast base budget, overspend and non-delivery of savings, £0.645m mitigations have been identified and are detailed below.

Environment and Place

Environmental Services - £0.088m identified as mitigation in relation to waste collection “gate fee” reductions, car park management fee reduction and a landscape post vacancy.

Growth & Economy have identified £0.050m of in year savings (£0.030m on vacancy and £0.020m on Recovery Prosperity Strategy).

Planning & Development have identified additional pre-planning advice income (£0.080m).

Customers, Organisational Development & Resources have identified £0.112m of in year savings in relation to recharging appropriate costs to CSN Resources (£0.056m), a reduction in payments for joint OCC staff (£0.016m) and training budget savings (£0.040m).

Adults and Housing Services - £0.090m identified as mitigation due to a restructure and staff retirement as well as the use of the Homelessness Prevention Reserve.

Public Health and Wellbeing - £0.052 identified as mitigation from benchmarking income from leisure contract, additional Sports Development Grant, OCC Self Isolation funding support to be received and savings on project and initiative funding.

Commercial Development Assets & Investments - £0.173m identified as mitigation relating to rental income from the Eco Business Centre, staff savings and the Growth and Commercial Director vacancy.

- 3.21 The Council has incurred costs and lost income during 2021/22 in relation to Covid-19 across all areas of the Council. 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.
- 3.22 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 £2.112m 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 £0.113m from the Sales, Fees and Charges compensation for the period to 30 June 2021. 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

Covid Costs 2021/22	£m
Environment and Place	0.546
Customers, Org. Dev. And Resources	0.019
Adults and Housing Services	0.000
Public Health and Wellbeing	0.100
Comm. Dev. Assets and Inv.	2.337
Subtotal Directorates	3.002
Executive Matters	(0.833)
Policy Contingency	0.000
Total	2.169

Note: Executive Matters holds the General Covid funding received.

3.23 Report Details

Environment and Place

Environment and Place have forecast an overspend of £1.102m against a budget of £10.083m (10.9%). This forecast overspend includes £0.834m expected base budget costs, £0.486m in potential savings non-delivery and (£0.218m) of mitigations detailed in table 2 above.

Environment and Waste	The forecast variance for Environmental Services for November is due to continued pressure within Car Parks. There is a £0.864m reduction in anticipated car parks income, (£0.474m of the deterioration is estimated to be due to the impact of COVID-19). There is also a £0.095m increase in national non-domestic rates and supplies and services.
Variation £1.076m overspend	
Variance to last month's forecast £0.020m	The pressure within Waste and Recycling has been altered to reflect the provisional start date of the food and garden waste roll out. The collection start date is still not confirmed due to supply problems with the vehicles. That issue should be resolved imminently, and a start date confirmed.
	The anticipated income is expected to see a £0.581m reduction, this is partially offset by (£0.546m) saving in employee costs due to non-recruitment to posts, refuse disposal charges and reductions in recycling fees plus additional fuel and vehicle costs of £0.029m other small variances across the service of £0.053m.
Planning & Development	Planning and Development are forecasting an underspend of (£0.074m). This consists of challenging recruitment conditions that have created an unexpected improvement in employee costs forecast. (£0.076m) savings on staffing costs and (£0.020m) saving in Planning Policy expenditure offset by £0.010m overspend in Contractors for land drainage and £0.012m overspend in computer software.
Variation (£0.074m) underspend	
Variance to last month's forecast (£0.031m)	
Growth & Economy	Growth and Economy are forecasting £0.100m overspend which is made up of £0.045m consultancy costs, £0.160m associated relocation costs and loss of rental income of Town Centre House, £0.057m corporate costs in relation to Oxford to Cambridge ARC and the annual Growth board contribution plus £0.033m of various overspends across the department, including the Sanctuary rent collection contract.
Variation £0.100m overspend	
Variance to last	Offsetting this is (£0.075m) of staff savings, (£0.100m)

month's forecast (£0.025m)	cessation of the Kidlington Masterplan and (£0.020m) savings within the Recovery Prosperity Strategy (RPS).
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Customers, Organisational Development and Resources

Customers, Organisational Development and Resources have forecast an overspend of £0.036m against a budget of £6.408m (0.6%). This forecast overspend includes £0.050m base budget costs, savings of £0.098m at risk of delivery and mitigations of (£0.112m) detailed in table 2.

HR/IT/Comms/Cultural Services	An underspend in HR of (£0.040m) has been offered up as a mitigation to the overall in year Council overspend. Apart from this, the service is reporting on target.
Variation £0.021m overspend	Customer Service Centre and Land Charges are forecasting a balanced budget at year end, with savings targets for 2021/22 being met.
Variance to last month's forecast (£0.010m)	<p>Communications, Strategy and Insight is showing a (£0.071m) underspend comprising (£0.05m) which will go towards the income generation savings target (currently showing as £0.015m achieved) and (£0.016m) further in year savings (mitigation to the overall in year overspend for the Council). The service is also showing an additional (0.050m) underspend due to a lower than anticipated costs to provide the service.</p> <p>An overspend of £0.132m within IT is due to pressure on the delivery of savings required of £0.093m which is due to actuals varying from estimates provided due to reduced income from no longer providing support to external organisations, small overspends across the service of £0.024m, new additional COVID costs of approximately £0.015 due to supplier shortages and associated rising costs</p>
Finance	The majority of the overspend across the service was linked to additional Covid costs. The position has improved as additional Covid related grants of £0.157m have been received, which has resulted in a small forecast overspend.
Variation £0.015m overspend	
Variance to last month's forecast (£0.220m)	Other minor variations have made up the remainder of the change this month.

Adults and Housing Services

Adults and Housing Services have forecast an underspend of (£0.100m) against a budget of £2.700m, (3.7%). This forecast underspend includes (£0.060m) base budget savings, £0.050m in potential savings non-delivery and mitigations of (£0.090m) detailed in table 2 above.

Housing & Social Care	Housing is forecasting an underspend of (£0.100m) due to in-year saving mitigations which include the use of Homelessness Prevention Grant to fund the Connections Outreach contract (£0.045m), savings on salaries due to staff retirement and restructure (£0.015m). Greater than expected Housing Benefit income in relation to temporary accommodation (£0.020m) and other underspends of (£0.020m) across the service.
Variation (£0.100m) underspend	
Variance to last month's forecast (£0.020m)	

Public Health & Wellbeing

Public Health & Wellbeing forecast to be on target against a budget of £2.969m (2.9%). This forecast includes £0.052m within the base budget and mitigations totalling (£0.052m) detailed in table 2 above.

Wellbeing	Wellbeing is forecasting to be on track. There is an overspend of of £0.100m loss of income as a result of Covid, offsetting this are savings of (£0.065m) on leisure contract management fees for Woodgreen Leisure centre due to a change in the contract cost, plus (£0.035m) of salary savings.
Variation £0.000m	
Variance to last month's forecast (£0.085m)	The forecast has improved from last month due to additional benchmarking income from the leisure contract and income generated from the solar panels at the leisure centres.
Healthy Place Shaping	Healthy Place Shaping are currently projecting to be on target.
Variation £0.000m	
Variance to last month's forecast £0.000m	

Commercial Development, Assets and Investments

The Directorate is forecasting an underspend of (£0.463m) against a budget of £1.438m 14.8%. This forecast underspend includes (£0.347m) base budget costs, £0.057m in potential savings non-delivery and mitigations of (£0.173m) detailed in table 2 above.

<p>Property</p> <p>Variation (£0.445m) underspend</p>	<p>Castle Quay is anticipating a net underspend of (£0.015m). Of the overall underspend, £0.420m is due to loss of commercial income alongside additional void costs for empty units following construction delays in the delivery of Premier Inn and the car park beneath Lidl resulting in a delay to rental and other income. Mitigating this are savings of (£0.435m) on other costs.</p>
<p>Variance to last month's forecast (£0.180m)</p>	<p>The Castle Quay forecast has improved by (£0.180m). The main reason for the improvement in the forecast is (£0.128m) reduction is Service charges, (£0.052m) increase in Unit 51 due to change in lease arrangements.</p> <p>The rest of the Property service area is forecasting an underspend of (£0.430m). This is as a result of improved commercial income of (£0.195m), staff savings of (£0.110m) and (£0.012m) various underspends across the department which include (£0.032m) on utilities and cleaning, (£0.060m) security and (£0.033m) various underspends within the department.</p>
<p>Procurement</p> <p>Variation (£0.004m) underspend</p>	<p>Procurement are forecasting to have a small underspend against budget.</p>
<p>Variance to last month's forecast (£0.004m)</p>	
<p>Law and Governance</p> <p>Variation £0.084m overspend</p>	<p>There is a £0.104m pressure on income recovery. (£0.029m) of this can be offset by an underspend elsewhere within the service. There is £0.007m pressure on salaries due to use of locums (decreased from last month due a post becoming vacant). An additional of £0.002 costs are Covid related</p>
<p>Variance to last month's forecast (£0.028m)</p>	
<p>Growth and Commercial</p> <p>Variation (£0.048m) underspend</p>	<p>The underspend forecast is due to savings on a vacant post.</p>
<p>Variance to last month's forecast £0.000m</p>	

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 and other minor variances across the services.
Variation (£0.050m) underspend	
Variance to last month's forecast (£0.000m)	

Executive Matters

Executive Matters forecast is an underspend of (£0.321m) against the budget of (£3.338m) (9.6%).

Interest	There is positive variance forecast against the budget, mostly as a result of lower interest rate on borrowings.
Variation (£0.270m) underspend	
Variance to last month's forecast £0.007m	

Corporate	The council is forecasting receipt of £0.113m Covid-19 funding as 75% compensation for lost Sales Fees and Charges Income from the Government for the period to 30 June 2021.
Variation (£0.051m) underspend	External Audit fees are anticipated to be £0.062m more than budgeted due to higher-than-expected 2019/2020 audit fees and an increase in the forecast for this year's audit.
Variance to last month's forecast (£0.008m)	

Policy Contingency

Policy contingency will meet the (£0.099m) shortfall in Leisure Contract benchmarking payments. There remains £0.935m unallocated after these assumptions are taken into account. £1.603m has been transferred to the Castle Quay budget to partially offset the net loss of Castle Quay income.

3.24 Forecast Earmarked Reserves and General Balances at November 2021

The table below is a summary of the level of reserves the council holds.

Reserves	Balance 1 April 2021	Original Budgeted use/ (contribution)	Changes agreed since budget setting	Changes proposed November 2021	Forecast Balance 31 March 2022
	£m	£m	£m	£m	£m
General Balance	(5.087)	0.000	0.000	0.000	(5.087)
Earmarked	(21.328)	(0.577)	0.319	0.047	(21.539)
Ringfenced Grant	(31.556)	22.073	4.934	0.000	(4.549)
Subtotal Revenue	(57.971)	21.496	5.253	0.047	(31.175)
Capital	(0.676)	0.000	0.020	0.000	(0.656)
Total	(58.647)	21.496	5.273	0.047	(31.831)

3.25 Government Grants

Test and Trace grant of £0.234m as well as New Burdens grant of £0.100m has been received during November.

3.26 Capital

There is a forecast in-year underspend of £7.934m, of which £6.886m is anticipated to be reprofiled in future years. There is an overall forecast decrease in the total cost of schemes of (£1.048m).

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	2.527	1.863	0.289	(0.375)	(0.375)
Comm Dev Assets total	28.577	23.404	4.765	(0.408)	(0.163)
Customers, Org Dev & Resources Total	1.314	1.059	0.225	(0.030)	(0.001)
Environment and Place Total	9.308	7.513	1.607	(0.188)	0.136
Public Health Wellbeing Total	0.713	0.709	0.000	(0.004)	(0.005)
Total	42.439	34.548	6.886	(1.005)	(0.408)

3.27 Forecast Variances

Housing:

Housing is forecasting to spend £1.820m on DFG and discretionary grants this year funded from the Better Care Fund. Also spend of £0.043m on Growth Deal Affordable Housing delivery which is wholly funded through S106 commuted sums. The underspend of (£0.375m) of base budget is due to utilisation of the Better Care Fund in the first instance.

Commercial Development, Assets & Investments:

Property is forecasting to spend £23.389m across various capital schemes. It is anticipated that there will be an overall saving of (£0.163m) but with the majority of schemes still anticipating full utilisation of budget over the timeline of the projects.

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

Customers Organisational Development & Resources:

ICT are currently forecasting a £0.022m 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 - so the net effect of this will be zero. The budget for Customer Excellence and Digital Transfer (30K) is no longer needed

Finance is forecasting On target.

Environment and Place:

Growth and Economy are forecasting to spend £4.714m by year end. This is an overspend of £0.156m of which £0.078m relates to retention payments due next year.

Environmental Services are forecasting to spend £2.799m across various capital schemes by year end.

Public Health & Wellbeing:

Wellbeing is forecasting spend of £0.709m of which £0.010m is an overspend in relation to Community grants. The scheme reported a £0.025m underspend in 2020/21. The works are however going ahead in this financial year, resulting in the reported overspend which is offset by underspends declared in 2020/21.

3.28 Re-profile beyond 2021/22

Housing

£0.093m Discretionary grants - This budget supports a number of discretionary grants, all of which are reactive/demand led. Landlords Home Improvement Grants (which secure nomination-rights over improved private rented accommodation for otherwise homeless households) are responsible for the largest spend, but we are currently experiencing lower demand at this stage of the year than expected.

£0.196m unspent DFG to be reprofiled to continue to support the programme alongside future Better Care Fund allocations.

Commercial Development, Assets & Investments:

£3.797m Castle Quay - reprofiling of the budget beyond 2021/22 is necessary because retention payments will be due following the 12 month defect period from September 2021. Also delays to the project caused by Brexit and reduced productivity to maintain social distancing.

£0.100m Banbury Health Centre - refurbishment of ventilation, heating & cooling system. Engagement with the tenant was required, and due to pressures with the decarbonisation works the delivery of this project has been delayed.

£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 our joint system called 'Single View of Assets'. This is likely to happen next financial year.

£0.055m Horsefair, Banbury - Due to pressures with the Decarbonisation works the delivery of this project has been delayed.

£0.071m Bodicote House Fire Compliance - Delays to minor fire compliance works is due to covid related delays and reprioritisation.

£0.100m Corporate Asbestos Surveys - Final phase of works need to be carried out but due to the pressures with the decarbonisation works the delivery of this project has been delayed.

£0.147m Works from Compliance Surveys - due to pressures with the decarbonisation works, delivery of this project has been delayed.

£0.100m Feasibility of utilisation of proper space - Bodicote House plans are being considered due to complexities that have been identified in the project

£0.030m Bicester East Community Centre - works on track just reprofiled some monies not required this year

£0.035m Thorpe Place Roof Works - Due to pressures with the Decarbonisation works, delivery of this project has been delayed.

£0.117m H&S Works to Banbury Shopping Arcade - Due to pressures with the Decarbonisation works, delivery of this project has been delayed.

£0.048m Banbury Museum Pedestrian Bridge - Slight delay caused by decarbonisation works but works instructed for March 22 start (roofing works put back due to winter weather).

£0.070m Retained Land - works are being carried out in 22/23.

Environment and Place:

Growth and Economy

£0.155m BUILD! Essential Repairs & Improvement (Town Centre Affordable Rent roof repairs) - A new structural engineer consultant has been appointed and further survey work is required to establish the specification for the tender documents. It is still anticipated that the insurance or warranty will cover the cost.

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

£0.685m Phase 1b - Admiral Holland formally completed September 2020 and retention payment is due September 2022 (£0.061m). Bicester Library received planning consent at September's Planning Committee, as a result 94% of the budget has been reprofiled beyond 2021/22. This will be continually reviewed in line with the project programme

£0.110m Fairway Flats Refurbishment - Planning have endorsed the proposed scheme and have recommended formal submission for planning consent which is likely to be obtained before 31st March 2022. Therefore, the main capital expenditure will happen when works commence in 2022/23.

Environmental Services

£0.050m Car Park Refurbishments - Reprofiting of this budget in to 2022/23 is required due to delays as a result of covid-19, staffing and progression of pay on exit sites and additional sites slower than anticipated.

£0.018m Off Road Parking - Reprofiting of this budget in to 2022/23 is required due to delays as a result of covid, staffing and progression of pay on exit sites and additional sites slower than anticipated.

£0.299m Vehicle Replacement Programme - Reprofiting of the remainder of this budget in to 2022/23 is required to allow for further investigation into electric vehicles, decarbonisation of the fleet and correct infrastructure implemented.

£0.012m On Street Recycling Bins - Reprofiting of this budget is to allow for a review of current on street containers in urban centres and due to delivery lead times.

£0.130m Thorpe Lane Depot Capacity Enhancement - Due to delays of the food and garden waste roll out, slippage of this budget is required in to 2022/23 to allow for further development of site requirements.

£0.085m Car Park Action Plan Delivery - Reprofiting of this budget in to 2022/23 is required due to delays as a result of covid, staffing and progression of pay on exit sites and additional sites slower than anticipated.

£0.035m Depot Fuel System Renewal - Reprofiting in to 2022/23 is required due to delays with Bicester depot redevelopment

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 2022/2023 Financial Year. The supplier payment will be aligned with timeline.

4.0 Conclusion and Reasons for Recommendations

This report provides an update on progress made during November 2021, to deliver the Council's priorities through reporting on Performance, Leadership Risk Register and providing an update on the Financial Position. The Council is

committed to performance, risk and budget management and reviews progress against its corporate priorities on a monthly basis. Executive is recommended to agree a change in the use of reserves in accordance with the Council's Financial Procedure Rules

5.0 Consultation

- 5.1 This report sets out performance, risk, and budgetary information for the eighth 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. Regarding the monitoring aspects of the report, no further options have been considered. However, members may wish to request that officers provide additional information. Regarding the recommendation to approve changes in use of reserves, members could choose not to reject the change of use, however, the request is in accordance with the councils Financial Procedure Rules and within existing budgets.

7.0 Implications

Financial and Resource Implications

- 7.1 Detailed within section 3.18 to 3.28 of this report.

Comments checked by:

Lorna Baxter, Director of Finance,

07393 001218, Lorna.Baxter@cherwell-dc.gov.uk

Legal Implications

- 7.2 here 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 November 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

Equalities and Inclusion Implications

- 7.4 The report must show how “in planning, delivering, monitoring and evaluating our work, equality and diversity issues are appropriately considered from the outset”. New proposals must be screened for relevance against our statutory duties to promote equality and where relevant an impact assessment.

Comments checked by:

Emily Schofield, Acting Head of Strategy,
07881 311707, Emily.Schofield@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 – 2021/22 Business Plan
- Appendix 2 – Monthly Performance Report - November
- Appendix 3 – Leadership Risk Register
- Appendix 4 – Finance Capital Nov
- Appendix 5 – Virements Nov
- Appendix 6 – COVID funding
- Appendix 7 – Use of reserves Nov

Background papers

None

Report Author and contact details

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