

# **Cherwell District Council**

## **Executive**

**6 December 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 October 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 as set out in 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 October 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 - October
- Appendix 3 – Leadership Risk Register
- Appendix 4 – Finance Capital Oct
- Appendix 5 – COVID Funding
- Appendix 6 – Use of reserves and grant funding
- Appendix 7 – CDC Customer Service Centre – Service in Focus




### 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 October and year to date. Demand on the Housing Team remains high, officers are prioritising the support to customers presenting in crisis. Plans are in place to increase resources for prevention and early intervention.



**Homeless improved through enforcement action** reported Red for October and Green for year to date (6 against target of 9). Six homes had improvements completed through our interventions. The reduced number this month reflects the unavoidable commitment of officer's time to a number of complex cases. However, overall performance is ahead of target with just under 12 premises improved, each month, on average.

**Average time taken to process Housing Benefit New Claims** reported Amber for October and Green for year to date (15.01 days against a target of 15 days). There was a large increase in claims received this month. The last 2 months (September and October) have seen 190 claims received per month (where we'd normally expect 120-150). There are new starters working on claims, so this should improve.

**Major applications overturned at appeal** reported Green for October and Red for year to date (0.00% against a target of 10%). No Major Planning Appeals were overturned by the Planning Inspectorate during October 2021.

## 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 Green for October and Amber for year to date (36,290 against target for the month of 37,712). Slight decrease from same time last year, even when there are more vehicles been used this year. Extra fuel usage is due to the rapid growth of the district and people continuing to work from home, which has increased the amount of waste collected by 10% and leads to increased vehicle use and mileage.



**% of Waste Recycled & Composted** reported Amber for October and Green for year to date (55.11% against target of 56%). Dry recycling and residual tonnage is comparable to last year, with

garden waste down by over 500 tonnes due to a poor weather summer. Glass tonnage is down by more than 400 tones, we attribute this to the full opening of hospitality. We're on track to reach our target of 56% at the end of year, however, this month and the next few months we envision the result will stay lower because of the garden waste reduction in winter.

**Ensure Clean & Tidy Streets** reported Green for October year to date. The start of the leaf-fall season is late this year, due to a mild autumn. The leaf-fall clean-up will be underway in mid-November and we predict this will be a period of high demand for the service.

## **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 October and year to date (8.89% against target of 9.75%). As of 1st November, the amount due to be collected risen by over £1.9m (since April 2021 this figure was just over £117.2m), which impacted in-month collection rates. Recovery action remains ongoing, reminder notices continued to be issued and those customers remaining in arrears and are being pursued through court action.

**Develop Our urban Centres** – The council keeps supporting revitalisation of Cherwell's urban centres through service provision and continued engagement with partners. Through a number of activities such as: liaison and collaboration with Banbury BID; support to Bicester Town Centre Task Group; involvement in 'Meanwhile in Oxfordshire', a project aimed to fill empty premises. Also, focusing on reopening high streets safely, via the Welcome Back Fund projects and support for the continued resilience of businesses.



## **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:

**Promote Health and Wellbeing** – During October the “Containing Outbreak Management” funding has enabled new programmes to be launched to provide several opportunities for residents to become more active, including bike libraries and top up

swimming sessions for schools. “Move Together” continues to grow as a pathway for people who became socially and physically inactive during the period of local and national restrictions.

**Half term holiday hubs** - Parents were able to secure their children’s places during October’s half-term in Cherwell activity hubs. Our holiday hubs put creativity on a level playing field with sports, offering arts and crafts alongside everything from tag rugby to hockey, basketball, and swimming. Sessions in Banbury and Bicester were available for children from five to 15 years old, with a cost the equivalent of just £2.50 per hour.

## 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	October	%	YTD	%
Green	On target	2	85%	22	85%
Amber	Slightly off target	4	12%	4	12%
Red	Off target	1	3%	1	3%

3.13 Climate Action Programme – October 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 October, actions were rated:

Status	Description	October	October %
Green	On target	14	66.7%
Amber	Slightly off target	6	28.6%
Red	Off target	1	4.8%
Completed		1	4.8%

Support planting 3,000 trees at Banbury Country Park – reported Red due to the 3000 trees will not be planted during the current planting season because there are insufficient resources to the complete the tasks involved (community liaison, contact procurement, site supervision and monitoring). A project officer is being recruited to lead on progressing both Banbury Country Park & Burnehyll Community woodland. New Planning Application for Banbury Country Park is pending.

3.14 Service in Focus - Cherwell District Council Customer Service Centre (CSC)

Cherwell’s Customer Service Centre provides First Point of Contact (FPoC) to residents and businesses across a range of Council Services including - Revenues and Benefits, Waste and Recycling, Housing Services, Elections Services, Environmental Services, Parking Services and General Enquires. Customers access our service via a range of different channels including phone, email, webforms, face to face and phone appointments to assist with complex enquiries.

The Team supports both the Cherwell and Oxfordshire CSCs with Capacity Planning and Efficiency, Quality and Performance, Business Development, Recruitment and Training, and Voice of the Customer activities. This specialist support will allow the CSC service delivery teams to focus on the customer at first point of contact, while giving an effective focus on projects, proactive process improvements and customer feedback.

Recent Improvement Projects and activities:

- Implementation of Service Improvement Logger (SIL) to enable proactive barrier removal and improvements
- Transfer of telephony system to a shared platform with OCC to enable future savings and shared virtual contact centre
- Work Force Management System Implementation in progress to enable demand led resourcing
- Stand up of Oxfordshire Local Contact Tracing Service, handling over 12.5K cases and successfully completing tracing for over 8.7k cases to date Future Improvement Projects
- Digital Transformation Phase 2 project, to include document verification via the Post Office service and further online end to end transaction capabilities
- Web chat as a contact channel
- Social Media as a direct contact channel
- Automated email filing to Revs and Bens account to reduce contact handling time
- Improved Quality and Performance Monitoring system capabilities to further improve service levels
- Bring First Point of Contact into the CSC from further CDC service areas

## 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
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L01 Financial Resilience	16 High Risk	↔	09/11/21 - Mitigations and Comments updated.
L02 Statutory functions	9 Low Risk	↔	12/11/2021 - Comments updated.
L03 CDC Local Plan	12 Medium Risk	↔	10/11/2021 - Comments updated.
L04 Business Continuity	12 Medium Risk	↔	09/11/2021 - Comments and mitigating actions updated.
L05 Emergency Planning	12 Medium Risk	↔	09/11/2021 - Comments updated.
L06 Health & Safety	8 Medium Risk	↔	02/11/2021 - No changes.
L07 Cyber Security	15 Medium Risk	↔	12/11/2021 - No changes.
L08 Safeguarding the Vulnerable	8 Medium Risk	↔	01/11/2021 – No changes
L09 Sustainability of Council owned companies and delivery of planned financial and other objectives.	6 Low Risk	↔	13/10/2021 - No changes.
L10 Financial sustainability of third-party suppliers and contractors	12 Medium Risk	↔	04/11/2021 - No changes.
L11 Corporate Governance	9 Low Risk	↔	16/11/2021 - Comments updated.
L12 Oxfordshire Growth Deal	15 Medium Risk	↔	15/11/21 - Comment Updated.
L13 Joint Working	9 Low Risk	↔	16/11/2021 - No changes.
L14 Legacy Shared Services Partnership – West Northamptonshire Council	4 Low Risk	↓	16/11/2021 - Residual Risk Updated.
L15 Workforce Strategy	8 Medium Risk	↔	11/11/21 - Comments updated.
L16 COVID-19 Community and Customers	16 High Risk	↔	12/11/2021 - No changes.
L17 COVID-19 Business Continuity	9 Low Risk	↔	16/11/2021 - No changes.
L18 Post COVID-19 Recovery	9 Low Risk	↔	16/11/2021 - No changes.

During October the leadership risk register had one score change, “L14 Legacy Shared Services Partnership” (score decreased from 12 Medium Risk to 4 Low Risk). For full details please see Appendix 3 Leadership Register CDC.

## Finance Update

3.18 The Council's forecast position for 2021/22 at the end of October shows a £0.655m overspend as shown in Table 1. This is made up of potential non-delivery of savings targets of £0.648m and an overspend of £0.007m on business-as-usual costs as shown in Table 2.

### 3.19 Report Details

Table 1: Forecast Year End Position

Forecast overview - October 2021	Original Budget £m	Current Budget £m	Year End Position at October £m	October Variance (Under) / Over £m	% Variance to current budget %	September Variance (Under) / Over £m	Change since September (better) / worse £m
Environment and Place	6.699	10.018	11.156	1.138	11.4%	1.158	(0.020)
Customers, Org. Dev. And Resources	5.682	6.399	6.665	0.266	4.2%	0.409	(0.143)
Adults and Housing Services	1.844	2.700	2.620	(0.080)	-3.0%	(0.010)	(0.070)
Public Health and Wellbeing	1.816	2.969	3.054	0.085	2.9%	0.160	(0.075)
Comm. Dev. Assets and Inv.	0.076	1.788	1.523	(0.265)	-14.8%	1.354	(1.619)
<b>Subtotal Directorates</b>	<b>16.117</b>	<b>23.874</b>	<b>25.018</b>	<b>1.144</b>	<b>4.8%</b>	<b>3.071</b>	<b>(1.927)</b>
Executive Matters	2.769	(3.613)	(3.933)	(0.320)	-8.9%	(0.459)	0.139
Policy Contingency	3.487	2.112	1.943	(0.169)	-8.0%	(1.802)	1.633
<b>Total</b>	<b>22.373</b>	<b>22.373</b>	<b>23.028</b>	<b>0.655</b>	<b>2.9%</b>	<b>0.810</b>	<b>(0.155)</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>0.655</b>	<b>0.655</b>		<b>0.810</b>	<b>(0.155)</b>



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

<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	1.138	0.956	(0.218)	0.400
Customers, Org. Dev. And Resources	0.266	0.271	(0.098)	0.093
Adults and Housing Services	(0.080)	(0.030)	(0.090)	0.040
Public Health and Wellbeing	0.085	0.122	(0.052)	0.015
Comm. Dev. Assets and Inv.	(0.265)	(0.192)	(0.173)	0.100
<b>Subtotal Directorates</b>	<b>1.144</b>	<b>1.127</b>	<b>(0.631)</b>	<b>0.648</b>
Executive Matters	(0.320)	(0.320)	0.000	0.000
Policy Contingency	(0.169)	(0.169)	0.000	0.000
<b>Total</b>	<b>0.655</b>	<b>0.638</b>	<b>(0.631)</b>	<b>0.648</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>0.655</b>	<b>0.638</b>	<b>(0.631)</b>	<b>0.648</b>

3.20 Of the £0.648m savings not expected to be delivered in 2021/22, £0.568m 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, £0.631m 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 planning fee income (£0.050m), operational cost reduction within planning policy of (£0.020m) and (£0.080m) Pre Planning Advice Income.

**Customers, Organisational Development & Resources** - £0.098m identified as mitigation in relation to recharging appropriate costs to CSN Resources, savings on consultants’ fees and a reduction in payments for joint OCC staff.

**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 identified from benchmarking income from Parkwood, 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. As the Covid-19 restrictions have eased additional costs linked to Covid-19 are reducing. 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 scheme which was 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	0.546
Customers, Org. Dev. And Resources	0.004
Adults and Housing Services	0.000
Public Health and Wellbeing	0.169
Comm. Dev. Assets and Inv.	2.337
<b>Subtotal Directorates</b>	<b>3.056</b>
Executive Matters	(0.833)
Policy Contingency	0.000
<b>Total</b>	<b>2.223</b>

Note: Executive Matters holds the General Covid funding received.

### 3.23 Report Details

#### Environment and Place

Environment and Place have forecast an overspend of £1.138m against a budget of £10.018m (11.4%). This forecast overspend includes £0.956m expected base budget costs, £0.400m in potential savings non-delivery and (£0.218m) of mitigations detailed in table 2 above.

<p>Environment and Waste</p> <p>Variation £1.056m overspend</p> <p>Variance to last month's forecast £0.040m</p>	<p>The forecast variance for Environmental Services for October is due to continued pressure within Car Parks. There is a £0.864m reduction in anticipated car parks income. This is a deterioration of £0.112m from September's monitoring due to usage not increasing as anticipated even with price increase, (£0.474m of the deterioration is estimated to be due to the impact of COVID-19). There is also a £0.086m increase in national non-domestic rates and supplies and services.</p> <p>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.</p> <p>The anticipated income is expected to see a £0.485m reduction, this is partially off set by (£0.417m) saving in employee costs due to non-recruitment to posts, refuse disposal charges and reductions in gate fees plus other small variances across the service of £0.038m.</p> <p>This forecast includes the (£0.088m) identified through in year savings/mitigations.</p>
<p>Planning &amp; Development</p> <p>Variation (£0.043m) underspend</p> <p>Variance to last month's forecast (£0.080m)</p>	<p>Planning and Development are forecasting an underspend due to increased income (£0.023m) from Application fees and Planning Performance Agreements as well as (£0.020m) saving in Planning Policy expenditure.</p>
<p>Growth &amp; Economy</p> <p>Variation £0.125m overspend</p>	<p>Growth and Economy are forecasting £0.125m overspend which is made up of £0.045m consultancy costs, £0.105m associated relocation costs of Town Centre House, £0.057m corporate costs in relation to Oxford to Cambridge ARC and the annual Growth board contribution plus £0.006m</p>

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of various overspends across the department. Offsetting this is (£0.088m) of staff savings. As part of the 2021/2022 budget setting process, Growth and Economy provided savings of (£0.366m) of which all are on target to be delivered.

Variance to last month's forecast  
£0.020m

There is a £0.020m deterioration in the forecast from last month despite in-year saving mitigations of (£0.030) recruitment freeze and (£0.020m) saving against the Recovery Prosperity Strategy budget. This is due to further costs associated with Town Centre roof.

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### **Customers, Organisational Development and Resources**

Customers, Organisational Development and Resources have forecast an overspend of £0.266m against a budget of £6.399m (4.2%). This forecast overspend includes £0.266m base budget costs, savings of £0.093m at risk of delivery and mitigations of (£0.098m) detailed in table 2.

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HR/IT/Comms/Cultural Services

Variation  
£0.031m  
overspend

Variance to last month's forecast  
(£0.081m)

HR are forecasting an underspend of (£0.025m). This is because Health and Safety now fall within their service resulting in a (£0.060m) underspend due to a vacant post. This is partly offset by £0.035m overspend (due to joint working income no longer being received, less an underspend in Computer software). A further underspend in HR of (£0.040m) has been offered up as a mitigation to the overall in year Council overspend, resulting in a total underspend of (£0.065m) for HR

Customer Services and Land Charges are largely on target, with further salary savings now offsetting any previous minor overspends

CS&I are showing a (£0.021m) underspend comprising: (£0.05m) which will go towards the £0.020 income recovery target (currently showing as £0.015m achieved) and (£0.016m) further in year savings (mitigation to the overall in year overspend for the Council)

An overspend of £0.117m within IT is due to a pressure on the delivery of savings required of £0.093m and small overspends across the service of £0.024m

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Finance

Variation  
£0.235m  
overspend

Variance to last month's forecast

After review and external audit there is an unavoidable recovery of overpaid Housing Benefit subsidies by DWP (Department of Works and Pension) to the value of £0.174m for the financial year 19/20.

The one-off project and recruitment costs relating to the establishment of the new Revenues and

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(£0.062m)	Benefits team has been offset by additional government grants.
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There is a £0.070m overspend on insurance premiums offset by (£0.009m) various small savings across the service.

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### **Adults and Housing Services**

Adults and Housing Services have forecast an underspend of (£0.080m) against a budget of £2.700m, (3.0%). This forecast underspend includes (£0.030m) base budget savings, £0.040m in potential savings non-delivery and mitigations of (£0.090m) detailed in table 2 above.

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Housing & Social Care	Housing is forecasting an underspend of (£0.080m) 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) and other underspends of (£0.020m) across the service.
Variation (£0.080m) underspend	
Variance to last month's forecast (£0.070m)	The movement from last month relates to in-year saving mitigations of (£0.060m) and other base budget savings of (£0.010m) identified.

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### **Public Health & Wellbeing**

Public Health & Wellbeing forecast an overspend of £0.085m against a budget of £2.969m (2.9%). This forecast overspend includes £0.122m within the base budget, £0.015m in potential savings non-delivery and mitigations totalling (£0.052m) detailed in table 2 above.

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Wellbeing	Wellbeing is forecasting an overspend of £0.085m which relates to loss of benchmarking income in relation to the leisure contract as a direct impact of Covid of £0.150m. Offsetting this are savings of (£0.065m) on Parkwood management fees for Woodgreen Leisure centre due to a change in the contract cost.
Variation £0.085m overspend	
Variance to last month's forecast (£0.075m)	The forecast has improved from last month due to in-year saving mitigations of (£0.052m) which include (£0.030m) benchmarking income from Parkwood, (£0.005m) additional grant received in Sports Development, (£0.008m) self – isolation support funding from OCC and (£0.009m) of project and initiative funding savings. Also Leisure are now expecting to receive (£0.014m) of sport pitch hire at North Oxfordshire Academy previously reported as undeliverable. Finally (£0.009m) of other base budget savings have been identified.

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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 underspend of (£0.265m) against a budget of (£1.788m) 14.8%. This forecast underspend includes (£0.192m) base budget costs, £0.100m in potential savings non-delivery and mitigations of (£0.173m) detailed in table 2 above.

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Property

Castle Quay is anticipating a net overspend of £0.165m. This is partly due to construction delays in the delivery of Premier Inn and the car park beneath Lidl resulting in a delay to rental and other income. Of the overall overspend £0.580m is due to loss of commercial income alongside additional void costs for empty units. Mitigating this are savings of (£0.415m) on other costs.

Variation  
(£0.275m)  
underspend

The rest of Property is forecasting an underspend of (£0.440m). This is as a result of improved commercial income of (£0.265m), staff savings of (£0.130m) and (£0.045m) various underspends across the department.

Variance to last  
month's forecast  
(£1.625m)

The main reason for the improvement in the forecast is that the Castle Quay budget has been increased as a result of an allocation of £1.603m from Policy Contingency. This contingency budget had been set aside to address potential losses of income at Caste Quay in 2021/22.

Regarding the remaining Property portfolio, the forecast has improved due to mitigations identified including (£0.120m) rental income from Bicester Eco Business Centre and (£0.005m) staff savings.

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Procurement

Procurement are forecasting to have a small underspend against budget.

Variation  
(£0.004m)  
underspend

Variance to last  
month's forecast  
(£0.004m)

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Law and Governance	There is a £0.116m pressure on income recovery. (£0.028m) of this can be offset by an underspend elsewhere within the service. There is £0.022m pressure on salaries due to use of locums and minor overspend of £0.002 across the rest of the service.
Variation £0.112m overspend	
Variance to last month's forecast £0.010m	
Growth and Commercial	The underspend forecast is due to savings on a vacant post.
Variation (£0.048m) underspend	
Variance to last month's forecast £0.000m	
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 (£0.320m) against the budget of (£3.613m) (8.9%).

Interest	There is positive variance forecast against the budget, mostly as a result of lower interest rate on borrowings.
Variation (£0.277m) underspend	
Variance to last month's forecast £0.157m	Additional £0.157m increase in forecast cost added since September mainly due to taking advantage of low interest rates and taking on additional long-term borrowing. This is a higher rate than short term borrowing but provides long-term certainty of costs at historically low interest rates.
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 (£0.113m)	

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underspend

Variance to last month's forecast (£0.018m)

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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

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### **Policy Contingency**

Policy contingency will meet the (£0.169m) shortfall in Leisure Contract benchmarking payments. There remains £0.865m 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 October 2021**

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

<b>Reserves</b>	<b>Balance 1 April 2021</b>	<b>Original Budgeted use/ (contribution)</b>	<b>Changes agreed since budget setting</b>	<b>Changes proposed October 2021</b>	<b>Forecast Balance 31 March 2022</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
General Balance	(5.087)	0.000	0.000	0.000	(5.087)
Earmarked	(21.328)	(0.577)	1.049	(0.730)	(21.586)
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>5.983</b>	<b>(0.730)</b>	<b>(31.222)</b>
Capital	(0.676)	0.000	0.020	0.000	(0.656)
<b>Total</b>	<b>(58.647)</b>	<b>21.496</b>	<b>6.003</b>	<b>(0.730)</b>	<b>(31.878)</b>

### **3.25 Government Grants**

No grant funding received this month.

### **3.26 Capital**



There is a forecast in-year underspend of £7.243m, of which £6.835m is anticipated to be reprofiled in future years. There is an overall forecast decrease in the total cost of schemes of £0.408m.

### 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	2.484	1.720	0.389	(0.375)	(0.375)
Comm Dev Assets total	28.577	23.649	4.765	(0.163)	(0.101)
Customers, Org Dev & Resources Total	1.314	1.088	0.225	(0.001)	(0.000)
Environment and Place Total	9.308	7.988	1.456	0.136	0.142
Public Health Wellbeing Total	0.657	0.652	0.000	(0.005)	(0.004)
<b>Total</b>	<b>42.340</b>	<b>35.098</b>	<b>6.835</b>	<b>(0.408)</b>	<b>(0.339)</b>

### 3.27 Forecast Variances

#### Housing:

Housing is forecasting an underspend of (£0.375m) due to reduced activity in delivering Disabled Facilities Grant works during the pandemic.

#### Commercial Development, Assets & Investments:

Property is forecasting to spend £23.634m 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 £0.033m overspend against the Land and Property Harmonisation Scheme. This is offset by underspends across other schemes.

Finance are reporting on target.

#### Environment and Place:

Growth and Economy are forecasting to spend £5.189m by year end. This is an overspend of £0.136m 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 to spend £0.652m which is (£0.005m) underspend against budget.

### **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.

£0.296m 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 21/22 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 - refurb of ventilation, heating & cooling system Engagement with the tenant required, however due to pressures with the decarbonisation works, 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, delivery of this project has been delayed.

£0.071m Bodicote House Fire Compliance - Work on hold due to political pressures with Bodicote House

£0.100m Corporate Asbestos Surveys - Final phase of works need to be carried out due but to pressures with the decarbonisation works, 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

£0.030m 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 Bridget - 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 2022/2023.

## **Environment and Place:**

### **Growth and Economy**

£0.160m 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.

£0.525m 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 70% of the budget has been reprofiled beyond 2021/22. This will be continually reviewed in line with the project programme.

£0.120m - 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 2022/2023.

£0.005m – East West Railways. The timescales for this are largely reactive to requirements and are therefore planning to reprofile 0.005 into 2022/2023.

### **Environmental Services**

£0.050m Car Park Refurbishments - Reprofiting of this budget in to 2022/2023 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 2022/2023 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 22/23 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 2022/2023 to allow for further development of site requirements.

£0.085m Car Park Action Plan Delivery - Reprofiting of this budget in to 2022/2023 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 2022/2023 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 October 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 and Reserves Policy

## **5.0 Consultation**

- 5.1 This report sets out performance, risk, and budgetary information for the tenth 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 Reserves Policy and within existing budgets.

## 7.0 Implications

### Financial and Resource Implications

- 7.1 Financial and Resource implications - Are detailed within section 3.18 to 3.28 of this report.

Comments checked by:

Lorna Baxter, Executive Director Finance, 07393 001218

[Lorna.baxter@cherwell-dc.gov.uk](mailto:Lorna.baxter@cherwell-dc.gov.uk)

### Legal Implications

- 7.2 There are no legal implications arising 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 October 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, Tel: 01295 221556

[Celia.prado-teeling@cherwell-dc.gov.uk](mailto: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, Tel: 07881 311707

[Emily.Schofield@cherwell-dc.gov.uk](mailto: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 - October
- Appendix 3 – Leadership Risk Register
- Appendix 4 – Finance Capital Oct
- Appendix 5 – COVID Funding
- Appendix 6 – Use of reserves and grant funding
- Appendix 7 – CDC Customer Services Centre – Service in Focus

### **Background papers**

None

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

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