

Appendix 1- To Budget Planning Committee Report

Cherwell District Council

Executive

7 March 2022

Monthly Performance, Risk and Finance Monitoring Report

Report of Assistant 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 January 2022.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the monthly Performance, Risk and Finance Monitoring Report.
- 1.2 To approve the proposed changes in use of reserves at Appendix 7.
- 1.3 To approve the revised fees and charges schedule at Appendix 8.

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, however due to redeployment of resources supporting Omicron variant there was no report during December 2021.
- 2.2 This report provides an update on progress made during January 2022, 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.

Appendix 1- To Budget Planning Committee Report

- 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 9 appendices to this report:
- Appendix 1 – 2021/22 Business Plan
 - Appendix 2 – Monthly Performance Report – January 2022
 - Appendix 3 – Leadership Risk Register
 - Appendix 4 – Finance Capital January 2022
 - Appendix 5 – Virements and Aged Debt
 - Appendix 6 – COVID funding – January 2022
 - Appendix 7 – Use of Reserves
 - Appendix 8 – Con29 Charges 2022-23
 - Appendix 9 – Service in Focus – Wellbeing Initiatives

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.

Appendix 1- To Budget Planning Committee Report

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:

Homes Improved through enforcement action reported Green for January and Green for year to date. We were able to complete the improvement of 4 homes in January 2022, during December 2021 24 homes were improved through interventions. To date, we have facilitated the improvement of 120 homes through interventions, exceeding the annual target of 90.



Average time taken to process Housing Benefit New Claims reported Red for January and Green for year to date (17.78 average days against target of 15). This month's performance is slightly under target as the team has been working on reducing the backlog of work due to the transition from CSN and recruitment and training of new staff.

Homelessness Prevention reported Amber for January and for year to date, the number of cases approaching crisis has been rising and is expected to continue over the coming weeks and months. The team efforts to prevent homelessness in many cases is increased by the lack of options for families on low income or benefits. Rents in the private sector are beyond reach and waiting times on the Housing Register, for social housing, are increasing. Resources are focused in providing assistance at the earliest opportunity, but evictions which were delayed still as a result of COVID-19 and are now being actioned, this will result in rise in temporary accommodation placements.

Appendix 1- To Budget Planning Committee Report

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:



% of Waste Recycled and Composted reported Red for January and Amber for year to date (54% against target of 56%). Dry recycling and residual tonnage is comparable to last years with garden waste, and down over 600 tonnes. Recycling is on track to reach its 56% at the end of year. Street sweeping is also down over 200 tonnes due to a reduction in service. The main reason this month, and next few months, is going to record lower figures is because of reduction of garden waste, in winter.

High Quality Waste and recycling service to residents to support a sustainable lifestyle reported Amber for January and Green for year to date. Overall waste started to reduce, compared to last year, as more people got back to the workplace, recycling rate was 33.72% for January against a target of 56%, this is due low garden waste collected, as per usual for this season. Over 35,000 residents have had their new caddies, liners and leaflets for the new food waste service and chargeable garden waste social media posts are reaching our residents, with 18,000 of them signing up for their first subscription.

Priority: An enterprising economy with strong and vibrant local centres

- 3.8 The Council is committed to support business retention and growth, developing skills and generating enterprise; also, securing infrastructure to support growth in the district and securing investment in our town centres. This priority also contributes towards making communities thrive and businesses grow promoting the district as a visitor destination, committing to work with businesses to ensure compliance and promote best practice.

- 3.9 Overview of our performance against this strategic priority:

% of Council Tax Collected, increase of Council Tax Base, reported Red for January and Amber for year to date (8.87% against target of 10.75%). As at 1.2.2022 the amount of council tax due to be collected is just over £117.6m due to further growth within the district. Whilst the year-to-date collection rate of 92.57% is slightly lower than the target of 95.75%, this year's collection rates are higher than this time last year. The amount collected, in December, remained similar to previous months, however, payments



Appendix 1- To Budget Planning Committee Report

received during January decreased slightly due to the ongoing pandemic and Christmas. Reminder notices have been issued to customers in arrears by £15.00 or more and should payment not be forthcoming, formal recovery action through the courts will commence.

Development of the Recovery and Prosperity Strategy for Cherwell (RPS) for Cherwell reported Amber for January and Amber for year to date, and it has been paused while urgent COVID-19 response work was prioritised. The adoption of a strategy to the governance cycle will be reprogrammed.

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:

Support Community Safety and Reduce Anti-Social Behaviour reported Green for January and year to date. The community safety team continued joint working with Thames Valley Police to tackle anti-social behaviour last month, with the issue of 3 community behaviour orders relating to persistent anti-social behaviour, joint visits to residents affected by anti-social behaviour, and our team providing input into a Police training day. Planned community safety



activity for February includes with hi-visibility patrols in town centres to raise awareness of the support our community safety team can provide residents and to deter business related crimes. The team will also be supporting a schools

programme promoting personal safety in the community.

Number of visits/usages of District Leisure Centre Usage reported Green for January and year to date. The visits to our leisure centres and facilities are up against the previous month of December 2021, though this is expected as introduction of new year business in January. As the Centres were closed due to the pandemic in January 2021 there is no data to compare this to. The current figures are at a level of pre Covid usage, reflecting perhaps a quicker recovery in outdoor sports settings.

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**.

Appendix 1- To Budget Planning Committee Report

Programme Measures and Key Performance Indicators (27)

Status	Description	January	%	YTD	%
Green	On target	21	78%	22	81%
Amber	Slightly off target	3	11%	5	19%
Red	Off target	3	11%	0	0%

3.13 Climate Action Programme

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 January, actions were rated as follows:

Status	Description	January	January %
Green	On target	11	50%
Amber	Slightly off target	7	32%
Red	Off target	1	4%
Completed		3	14%

January highlights:

- The joint project Oxfordshire Treescape Opportunity Map is now complete; farmers and landowners can use the tool to identify the right places to plan treescapes to address biodiversity loss, capture carbon, reduce flooding and contribute to human wellbeing
- New Design Standards for New Build and Refurbishment, also a joint project, was completed
- Air source heat pumps are being installed at Leisure Centres, funded by Public Sector Decarbonisation Scheme

3.14 Service in Focus – Wellbeing Initiatives

Cherwell's **FAST** programme continues to grow and make physical activity easier for families who really need it. Initially based in targeted wards of Banbury, and due to its success, has been expanded to targeted wards of Bicester and Kidlington. FAST now has 7,500 individuals and 2,900 families on the programme, has prompted Public Health to use the concept to expand family provision across the county. The programme offers activities for families based at Schools, Parks and Community settings as well as offering discounts, through FAST card, such as £3 family swim instead of the £13 charged. The programme is also being held up as best practice by Sport England.



Appendix 1- To Budget Planning Committee Report

Also, the Move Together Programme funded by the Clinically Extremely Vulnerable pot of funding to offer adults disproportionately affected by the pandemic and with a long-term condition, have easier access to physical activity, offers motivational support to everybody who signs up along with tailored home activity packs, equipment and discounted opportunities in the community. There is the option to either join specific Move Together Seated Exercises, Walking, Yoga and much more, taking advantage of the 50% discount with a Move Together card, for activities such as swimming or exercise at home, and where a bespoke plan would be designed. So far, 225 adults have joined the programme, by referral through a health professional or by self-referral with intervention, having a huge impact, with 76% of people on the programme having more than one long-term condition and 62% of participants claiming that the programme has enabled them to be more active.



The Holiday Hubs Programme has changed focus, this year, and delivered activities for children who are eligible for Free School Meals accessing both physical activity and lunch, free of charge. During 2021, over 11,000 attendances had access to free holiday provision and food. This was made possible through grant funding obtained through central government, as part for the Holiday Activity Fund – Overall £120k was obtained.

School Provision, where in 2021, the Youth Activators Programme had over 14,000 attendances on various opportunities to work with schools and offer children who need more support for physical activity, provision that may not have been accessible through traditional curriculum activities. The programme has also worked in partnership with British Cycling to offer children in primary schools more confidence on their bikes, with over 150 children accessing additional training.



Top Up Swimming has focussed on offering children who had no opportunity to swim, 25 metres lessons before leaving primary school, due to COVID-19 shutting facilities and families unable to afford those lessons. The Top Up Swimming programme offered intensive swimming tuition for 210 children, so far, to achieve their 25 metres and improve water safety skills.

And, finally, the Active Reach Programme, funded through the Tackling Inequalities Fund from Sport England, centred on people living in high deprivation areas, in Banbury, and engaging with the ethnic diverse community, through insight physical activity levels; have been adversely affected by the pandemic. Local groups were offered a range of different activities to suit their cultural needs, including boxercise, swimming, gym use, personal training, cricket, fencing and much more. The programme saw 324 individuals take part, with 61% being from an Asian or Asian-British background, 22% from Black-British or Black background. The programme has also built an excellent relationship with Banbury Mosque, where training

Appendix 1- To Budget Planning Committee Report

has been put in place so members can deliver activities such as Swimming, Football, Cricket and personal training so that access to physical activity is sustainable. More exciting projects, such as, learn to swim, family and a bike library have grown as a result of all these programmes.

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	L03 - L04 - L05 - L10 – L15	L01 - L16	
	3 - Moderate		L09 -	L02 - L11 - L13 - L17-L18	L19	L12
	2 - Minor	L14				
	1 - Insignificant					

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

Risk Update

The leadership risk register has been thoroughly reviewed as part of the monthly reporting process.

Leadership Risk	Score	Direction of travel	Latest Update
L01 Financial Resilience	16 High Risk	↔	07/02/22 - Mitigations and Comments updated.
L02 Statutory functions	9 Low Risk	↔	11/02/2022 - Controls, Mitigating Actions and Comments Updated
L03 CDC Local Plan	12 Medium Risk	↔	10/02/2022 - Comments Updated
L04 Business Continuity	12 Medium Risk	↔	08/02/2022 - Mitigating Actions Updated
L05 Emergency Planning	12 Medium Risk	↔	08/02/2022 - Comments Updated
L06 Health & Safety	8 Low Risk	↔	03/02/2022 - Comments Updated
L07 Cyber Security	15 Medium Risk	↔	21/02/2022 - Risk Reviewed - Potential Impact, Control, Mitigating Actions and Comments Updated
L08 Safeguarding the Vulnerable	8 Low Risk	↔	02/02/2022 - Comments Updated
L09 Sustainability of Council owned companies and delivery of planned financial and other objectives.	6 Low Risk	↔	17/02/2022 – Risk manager updated

Appendix 1- To Budget Planning Committee Report

L10 Financial sustainability of third-party suppliers and contractors	12 Medium Risk	↔	01/02/2022 - No changes
L11 Corporate Governance	9 Low Risk	↔	11/02/2022 - Controls, Mitigating Actions and Comments Updated
L12 Oxfordshire Growth Deal	15 Medium Risk	↔	04/02/21 – No changes
L13 Joint Working	9 Low Risk	↔	21/01/2022 – Risk closure proposed
L14 Legacy Shared Services Partnership – West Northamptonshire Council	2 Low Risk	↓	21/01/2022 - Residual Risk reduced. Risk closure proposed
L15 Workforce Strategy	12 Medium Risk	↑	03/02/22 – Residual Risk Level increased and Comments Updated
L16 COVID-19 Community and Customers	16 High Risk	↔	08/02/2022 - Mitigating Actions and Comments updated
L17 COVID-19 Business Continuity	9 Low Risk	↔	07/02/2022 - Comments and Inherent Scoring Updated
L18 Post COVID-19 Recovery	9 Low Risk	↔	07/02/22 - Mitigating Action and Control Updated
L19 Cessation of joint working between CDC and OCC	12 Medium Risk	NEW	16/02/22 – Risk description, manager, controls, mitigating actions and comments updated. Created on 17/01/2022

During January the leadership risk register had two score changes:

L15 Workforce Strategy from 8 Low Risk to 12 Medium Risk.

L14 Legacy Shared Services Partnership – West Northamptonshire Council from 4 to 2 Low Risk.

L13 Joint working and L14 Legacy Shared Services Partnership – West Northamptonshire Council are proposed to be closed

L19 Cessation of joint working has been added to the leadership risk register.

Appendix 1- To Budget Planning Committee Report Finance Update

3.18 The Council's forecast position for 2021/22 at the end of January shows a (£0.116m) underspend as shown in Table 1. This is made up of potential non-delivery of savings targets of £0.846m, mitigations of (£0.748m) and an underspend of (£0.214m) on business-as-usual costs as shown in Table 2.

3.19 Report Details

Table 1: Forecast Year End Position

Forecast overview - January 2022	Original Budget	Current Budget	Year End Position at January	January Variance (Under) / Over	% Variance to current budget	November variance (Under) / Over	Change since November (better) / worse
	£m	£m	£m	£m	%	£m	£m
Environment and Place	6.699	10.073	11.323	1.250	12.4%	1.102	0.148
Customers, Org. Dev. And Resources	5.682	6.280	6.302	0.022	0.4%	0.036	(0.014)
Adults and Housing Services	1.844	2.224	1.909	(0.315)	-14.2%	(0.100)	(0.215)
Public Health and Wellbeing	1.816	3.696	3.562	(0.134)	-3.6%	0.000	(0.134)
Comm. Dev. Assets and Inv.	0.076	1.438	0.953	(0.485)	-33.7%	(0.463)	(0.022)
Subtotal Directorates	16.117	23.711	24.049	0.338	1.4%	0.575	(0.237)
Executive Matters	2.769	(3.439)	(3.762)	(0.321)	-9.3%	(0.321)	0.000
Policy Contingency	3.487	2.101	1.968	(0.133)	-6.3%	(0.099)	(0.034)
Total	22.373	22.373	22.256	(0.116)	-0.5%	0.155	(0.271)
FUNDING	(22.373)	(22.373)	(22.373)	0.000	0.0%	0.000	0.000
(Surplus)/Deficit	0.000	(0.000)	(0.116)	(0.116)		0.155	(0.271)

Table 2: Analysis of Forecast Variance – January

Breakdown of current month forecast	Forecast Variance	Forecast Base Budget Over/ (Under)	Mitigations	Savings Non-Delivery
	£m	£m	£m	£m
Environment and Place	1.250	0.935	(0.218)	0.533
Customers, Org. Dev. And Resources	0.022	(0.042)	(0.112)	0.176
Adults and Housing Services	(0.315)	(0.250)	(0.095)	0.030
Public Health and Wellbeing	(0.134)	(0.041)	(0.150)	0.057
Comm. Dev. Assets and Inv.	(0.485)	(0.362)	(0.173)	0.050
Subtotal Directorates	0.338	0.240	(0.748)	0.846
Executive Matters	(0.321)	(0.321)	0.000	0.000
Policy Contingency	(0.133)	(0.133)	0.000	0.000
Total	(0.116)	(0.214)	(0.748)	0.846
FUNDING	0.000	0.000	0.000	0.000
(Surplus)/Deficit	(0.116)	(0.214)	(0.748)	0.846

3.20 Of the £0.846m savings not expected to be delivered in 2021/22, £0.627m 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, £0.748m 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).

Appendix 1- To Budget Planning Committee Report

Adults and Housing Services - £0.095m identified as mitigation due to a restructure and staff retirement as well as the use of the Homelessness Prevention Reserve.

Public Health and Wellbeing - £0.150 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	0.688
Customers, Org. Dev. And Resources	0.019
Adults and Housing Services	0.000
Public Health and Wellbeing	0.074
Comm. Dev. Assets and Inv.	2.299
Subtotal Directorates	3.080
Executive Matters	(0.833)
Policy Contingency	0.000
Total	2.247

Note: Executive Matters holds the General Covid funding received.

Appendix 1- To Budget Planning Committee Report

3.23 Report Details

Environment and Place

Environment and Place have forecast an overspend of £1.100m against a budget of £10.073m (10.9%). This forecast overspend includes £0.785m expected base budget costs, £0.533m 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 January is due to continued pressure within Car Parks. There is a £0.995m reduction in anticipated car parks income, (£0.616m of the deterioration is estimated to be due to the impact of COVID-19). There is also a £0.098m increase in national non-domestic rates and supplies and services. There is a delay in the delivery of £0.030m saving on fuel and vehicle maintenance for the parked up mechanical sweepers due to increased fuel costs.
Variation £1.159m overspend	
Variance to November's forecast £0.083m	
	The pressure within Waste and Recycling has been altered to reflect the start date of the food and garden waste roll out. The collection start date is confirmed as 1st March.
	The anticipated income is expected to see a £0.538m reduction, this is partially offset by (£0.521m) saving in employee costs due to non-recruitment to posts, refuse disposal charges and reductions in recycling gate fees plus other small variances across the service of £0.049m.
Planning & Development	Planning & Development are forecasting an underspend of (£0.079m) which is made up of (£0.075m) committed savings. Additional agency costs have been negated by increased income and various underspends totalling (£0.004m).
Variation (£0.079m) underspend	
Variance to November's forecast (£0.005m)	
Growth & Economy	Growth and Economy are forecasting £0.170m overspend which is made up of £0.040m Build! review consultancy costs, £0.160m associated relocation costs and loss of rental income of Town Centre House, £0.055m corporate costs in relation to Oxford to Cambridge ARC and the annual Growth board contribution, £0.030m on Shared Ownership property repair and maintenance costs and £0.055m overspend on the Build! service.
Variation £0.170m overspend	

Appendix 1- To Budget Planning Committee Report

	Offsetting the overspends are (£0.040m) of staff savings, (£0.100m) cessation of the Kidlington Masterplan and (£0.030m) savings within the Recovery and Prosperity Strategy. These underspends have been managed in order to offset the non-delivery of saving proposals relating to officer recharges to the capital programme and unexpected spend on repairs and maintenance at Town Centre House.
Variance to November's forecast £0.070m	£0.030m less officer time to recharge to the capital programme and £0.040m further expense on repairs and maintenance across the whole portfolio of properties

Customers, Organisational Development and Resources

Customers, Organisational Development and Resources have forecast an overspend of £0.022m against a budget of £6.280m (0.4%). This forecast overspend includes £0.027m base budget costs, savings of £0.107m 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, they are reporting on target, the underspend reported last month is now expected to be utilised due to increased agency costs.
Variation £0.007m overspend	
Variance to November's forecast (£0.014m)	Customer Services and Land Charges are largely on target, with further salary savings now offsetting any previous minor overspends. Communications, Strategy and Insight are showing a (£0.090m) underspend due to making in year savings (£0.016m) further in year savings (mitigation to the overall in year overspend for the Council). (£0.074m) further savings due to a reduction in the amount forecasted to pay over to OCC for joint staff. There is £0.079m non delivery of savings as the planned extent of the restructure was not possible following HR and Legal advice. However, this has been mitigated by underspends elsewhere.
	An overspend of £0.137m within IT is due to pressures on the delivery of savings required of £0.097m which is due to actuals varying from estimates provided due to IT separation, small overspends across the service of £0.025m and COVID costs of approximately £0.015m due to supplier shortages and associated rising costs.
Finance	Minor variations across the service this month.

Appendix 1- To Budget Planning Committee Report

Variation
£0.015m
overspend
Variance to
November's
forecast
(£0.000m)

Adults and Housing Services

Adults and Housing Services have forecast an underspend of (£0.315m) against a budget of £2.224m, (14.2%). This forecast underspend includes (£0.250m) base budget costs, £0.030m in potential savings non-delivery and mitigations of (£0.095m) detailed in table 2 above.

Housing & Social Care	Housing is forecasting an underspend of (£0.315m) mainly due to the use of grants to fund the Debt and Money Advice contract (£0.215m) and the use of the Homelessness Prevention Grant to fund the Connections Outreach contract (£0.050m). Savings have also been achieved on salaries and mileage due to staff retirement and restructure (£0.030m) and finally the receipt of greater than expected Housing Benefit payments in relation to temporary accommodation (£0.020m).
Variation (£0.315m) underspend	
Variance to November's forecast (£0.215m)	Grant funding has been applied to fund the Debt & Money advice contract held with Citizens Advice Bureau thus releasing (£0.215m) of base budget

Public Health & Wellbeing

Public Health & Wellbeing have forecast an underspend of (£0.134m) against a budget of £3.696m (3.6)%. This forecast includes (£0.041m) within the base budget costs, £0.057m in savings non-delivery and mitigations totalling (£0.150m) detailed in table 2 above.

Wellbeing	Wellbeing is forecasting an underspend of (£0.134m) consisting of savings on Parkwood's contract fees for Woodgreen Leisure centre (£0.065m), salary savings including mileage (£0.069m). This underspend has been managed in order to offset the non - delivery of saving proposals relating to Stratfield Brake and North Oxfordshire Academy.
Variation (£0.134m)	Furthermore, the Council has made provision from Policy Contingency to offset the loss of income of £0.074m as a result of Covid and £0.520m additional utility costs.
Variance to November's forecast (£0.134m)	Since November's reporting Leisure have received an additional (£0.030m) benchmarking income, (£0.030m) profit share income and (£0.040m) Utility benchmark payment (dating back to 19/20) from Parkwood.

Appendix 1- To Budget Planning Committee Report

Plus (£0.034m) additional savings across the department

Healthy Place Shaping

Healthy Place Shaping are currently projecting to be on target.

Variation
£0.000m

Variance to
November's
forecast
£0.000m

Commercial Development, Assets and Investments

The Directorate is forecasting an underspend of (£0.485m) against a budget of £1.438m 33.7%. This forecast underspend includes (£0.362m) base budget costs, £0.050m in potential savings non-delivery and mitigations of (£0.173m) detailed in table 2 above.

Property

Variation
(£0.383m)
underspend

Castle Quay is anticipating a net overspend of £0.067m. Of the overall overspend, £0.450m 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 being received and other income; plus £0.069m net loss from Lock29 due to additional government restrictions in 2021 following new Covid variant resulting in lower-than-expected footfall at the centre. Mitigating this are potential savings of (£0.452m) on other costs.

Variance to
November's
forecast
£0.062m

The rest of the Property service area is forecasting an underspend of (£0.450m) mainly due to improved commercial income (£0.350m), staff savings (£0.025m), reduced occupancy of municipal buildings (£0.055m) and various underspends within the department (£0.020m).

Procurement

Variation
(£0.004m)
underspend

Procurement is forecasting to have a small underspend against budget.

Variance to
November's
forecast
(£0.000m)

Appendix 1- To Budget Planning Committee Report

Law and Governance	There is a £0.067m pressure on income recovery and £0.010m minor overspends in supplies and services. Income recovery has improved significantly since last month, (£0.029m) of this can be offset by an underspend elsewhere within the service. An additional of £0.002 costs are Covid related
Variation £0.005m overspend	
Variance to November's forecast (£0.034m)	
<hr/>	
Growth and Commercial	The underspend forecast is due to savings on a vacant post.
Variation (£0.048m) underspend	
Variance to November's forecast £0.000m	
<hr/>	
Regulatory Services	Regulatory Services is forecasting an underspend of (£0.100m) resulting from savings on staff costs due to vacant posts and reduced mileage (£0.150m) and more discretionary income than anticipated (£0.035m). This is offset by £0.085m forecast loss of licensing income due to the impact of Covid.
Variation (£0.100m) underspend	
Variance to November's forecast (£0.050m)	

Executive Matters

Executive Matters forecast is an underspend of (£0.321m) against the budget of (£3.441m) (9.3%).

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 November's forecast £0.000m	

Appendix 1- To Budget Planning Committee Report

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 (£0.125m) underspend	£0.074m Wellbeing covid related loss of income (£0.004m holiday clubs, £0.015m recharge Parkwood for solar energy and £0.055m loss of benchmarking income).
Variance to November's forecast £0.025m	External Audit fees are anticipated to be £0.062m more than budgeted due to higher-than-expected final 2019/20 audit fees and an increase in forecast for this year's audit.

Policy Contingency

Policy contingency will meet the (£0.074m) shortfall in Leisure Contract benchmarking payments, along with (0.520m) in relation to utility costs within Leisure. There remains (£1.073m) 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. Of the £1.073m unallocated it is forecast that (£0.133m) can be released to support the overall budget position.

3.24 Forecast Earmarked Reserves and General Balances at January 2022

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

Reserves	Balance 1 April 2021 £m	Original Budgeted use/ (contribution) £m	Changes agreed since budget setting £m	Changes proposed January 2022 £m	Forecast Balance 31 March 2022 £m
General Balance	(5.520)	0.000	0.000	0.000	(5.520)
Earmarked	(21.328)	(0.461)	0.386	(0.147)	(21.550)
Ringfenced Grant	(31.556)	22.073	5.033	(0.169)	(4.619)
Subtotal Revenue	(58.404)	21.612	5.419	(0.316)	(31.689)
Capital	(0.756)	0.000	0.000	0.000	(0.756)
Total	(59.160)	21.612	5.419	(0.316)	(32.445)

3.25 Government Grants

Omicron Hospitality and Leisure Grant of £1.422m as well as £0.104m Protect & Vaccinate – Rough sleeping Response received during December and January 2022.

3.26 Aged Debt

As at 31 January 2022 the Council had outstanding debt of £3.509m (£4.167m 30 September 2021), of which £0.305m is current and £3.204 is in recovery. Of the

Appendix 1- To Budget Planning Committee Report

£3.204m in recovery, £2.040m is over 120 days old (£2.811m 30 September 2021). A review of debt is currently underway.

3.27 Capital

There is a forecast in-year underspend of £12.779m, of which £11.110m is anticipated to be reprofiled in future years. There is an overall forecast decrease in the total cost of schemes of (£1.644m).

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	4.215	3.551	0.289	(0.375)	(0.332)
Comm Dev Assets total	28.577	19.439	8.138	(1.000)	(0.408)
Customers, Org Dev & Resources Total	1.314	0.725	0.490	(0.074)	(0.030)
Environment and Place Total	9.308	7.171	1.946	(0.191)	(0.188)
Public Health Wellbeing Total	0.708	0.457	0.247	(0.004)	(0.004)
Total	44.122	31.343	11.110	(1.644)	(0.962)

3.28 Forecast Variances

Housing:

Housing is forecasting to spend £1.820m on DFG and discretionary grants by year end, funded from the Better Care Fund and £1.731m on Growth Deal Affordable Housing delivery, funded through Growth Deal grant received from OCC and 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 are forecasting to spend £19.439m by year end. It is anticipated that there will be an underspend of (£1.000m) due to certain schemes no longer progressing from the PSDS works of (£0.752m).

The remaining saving is mainly on corporate assessments (£0.214m). Most schemes are still anticipating full utilisation of budget but with the possibility that the budget is reprofiled to 2022/2023.

Customers, Organisational Development & Resources:

ICT are currently forecasting a £0.020m 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

Appendix 1- To Budget Planning Committee Report

budget for Customer Excellence and Digital Transfer (£0.030m) and Legacy Iworld System Migration (£0.050m) are no longer needed

Finance is forecasting to be (£0.010m) underspent at year end

Environment and Place:

Growth and Economy are forecasting to spend £4.678m by year end. There is an underspend of (£0.197m) mainly as a result of releasing capital budget for the Cropredy Shared Ownership property, which can be funded from a capital reserve if the need arose to repurchase the property. Offsetting the underspend is £0.078m of retention payments due to be paid to developers next year.

Environmental Services are forecasting to spend £2.493m across various capital schemes by year end.

Public Health & Wellbeing:

Wellbeing are forecasting spend of £0.457m of which the majority of spend is S106 funded.

3.29 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:

£3.823m Castle Quay - reprofiling of the budget beyond 2021/2022 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.

Appendix 1- To Budget Planning Committee Report

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

£0.050m 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

£0.020m Community Centre Works - 3 remaining projects postponed to 2022/2023 due to weather as mainly roofing works.

£0.074m 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.

£0.127m 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 2022 start (roofing works put back due to winter weather).

£0.070m Retained Land - works are being carried out in 2022/2023

£3.303m PSDS projects - All works have now been instructed and are on site and completion on the leisure centres due June 2022 (with Salix approval)

£0.015m Enable Agile Working - despite work commencing, the capital budget allocated specifically for the new equipment required to enable agile working has not been decided upon. Therefore, the funding will be required in 2022/2023.

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.

£0.713m 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 98% of the budget has been reprofiled beyond 2021/22. This will be continually reviewed in line with the project programme

Appendix 1- To Budget Planning Committee Report

£0.115m 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.

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.

£0.365m Vehicle Replacement Programme - Reprofiting of the remainder of this budget in to 2022/2023 is required to allow for further investigation into electric vehicles, decarbonisation of the fleet and correct infrastructure implemented. Events vehicle commitment delayed until 2022/2023 due to delivery lead times.

£0.018m 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.

£0.161m 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.

£0.024m Street Scene Fencing Street Furniture - Reprofiting of this budget in to 2022/2023 is a consequence of ongoing lease and landowner issues.

£0.095m 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.

£0.122m Burehyll - Bicester Country Park - Reprofiting in to 2022/2023 is required due to delays in recruitment; halting progression and further development.

£0.053m Solar Panels at Castle Quay - Reprofiting in to 2022/2023 is required due to resources being limited, the project is being led by the joint climate action team.

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.

Wellbeing:

£0.005m Physical Activity & Inequalities Insight - the remaining capital to be used for further insight work to add layers into story map.

Appendix 1- To Budget Planning Committee Report

£0.183m North Oxfordshire Academy Astroturf - The delivery of a new Astroturf pitch at North Oxfordshire Academy has been complicated by issues arising from securing appropriate and timely developer contributions. Officers are working closely with colleagues in planning to finalise the position and determine the most appropriate course of action and funding.

£0.009m Bicester Leisure Centre Extension - The majority of the spend will take place before year end but some final costs likely to roll in to 2022/2023.

£0.005m Spiceball Leisure Centre Bridge Resurfacing - Bridge now open but there may be some residual costs that fall in to 2022/2023.

£0.045m Corporate Booking System - Approval has been given by S151 Officer to repurpose the capital budget for future funding of Longford Park public art works in 2022/2023.

4.0 Conclusion and Reasons for Recommendations

This report provides an update on progress made during January 2022, 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 Reserves Policy and to agree the revised Con29 Fee for 2022/23 as set by Oxfordshire County Council.

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 Reserves Policy and within existing budgets. If members chose not to agree to the changes in transfers to reserves then this would mean resource would need to be found for these projects separately in future years.

7.0 Implications

Financial and Resource Implications

- 7.1 Financial and Resource implications - Are detailed within section 3.18 to 3.29 of this report.

Appendix 1- To Budget Planning Committee Report

Comments checked by:

Michael Furness, Director of Finance / Section 151, Tel: 01295 221845

Michael.Furness@cherwell-dc.gov.uk

Legal Implications

- 7.2 There are no legal implications from this report.

Comments checked by:

Sukdave Ghuman, Head of Legal and Deputy Monitoring Officer,

Sukdave.Ghuman@cherwell-dc.gov.uk

Risk Implications

- 7.3 This report contains a full update with regards to the Council's risk position at the end of January 2022.

Comments checked by:

Celia Prado-Teeling, Performance Team Leader, Tel: 01295 221556

Celia.prado-teeling@cherwell-dc.gov.uk

Equalities and Inclusion Implications

- 7.4 Equalities and Inclusion Implications - 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

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

This report supports all Corporate Priorities

Appendix 1- To Budget Planning Committee Report

Lead Councillor

Councillor Richard Mould – Lead member for Performance Management

Councillor Tony Ilott – Lead member for Finance and Governance

Document Information

Appendix number and title

- Appendix 1 – 2021/22 Business Plan
- Appendix 2 – Monthly Performance Report – January 2022
- Appendix 3 – Leadership Risk Register
- Appendix 4 – Finance Capital January 2022
- Appendix 5 – Virements and Aged Debt
- Appendix 6 – COVID funding – January 2022
- Appendix 7 – Use of Reserves
- Appendix 8 – Con29 Charges 2022-23
- Appendix 9 – Service in Focus - Wellbeing Initiatives

Background papers

None

Report Author and contact details

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