



**WEST OXFORDSHIRE
DISTRICT COUNCIL**

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Name and date of Committee	Cabinet: Wednesday 24 March 2021
Report Number	Agenda Item No. 9
Subject	Financial and Service Performance Report 2020-21 Quarter Three
Wards affected	All
Accountable member	Cllr Toby Morris Cabinet Member for Resources and Deputy Leader Email: Toby.Morris@westoxon.gov.uk
Accountable officer	Giles Hughes, Chief Executive Tel: (01993) 861658 Email: giles.hughes@westoxon.gov.uk
Summary/Purpose	This report provides details of the Council's operational and financial performance at the end of 2020-21 Quarter three (Q3), and enables Councillors to assess financial and operational performance and gain assurance on progress towards achieving the Council's priorities.
Annexes	Annex A – Performance Indicator report Annex B – Detailed review of actuals vs budget and reforecast Annex C – Capital spend to Q3
Recommendation	That the 2020-21 Quarter Three financial and service performance be noted.
Corporate priorities	Climate Action: Leading the way in protecting and enhancing the environment by taking action locally on climate change and biodiversity Healthy Towns and Villages: Facilitating healthy lifestyles and better wellbeing for everyone A Vibrant District Economy: Securing future economic success through supporting existing local businesses and attracting new businesses to deliver the economic ambitions of the Local Industrial Strategy Strong Local Communities: Supporting and building prosperous and inclusive local communities Meeting the Housing Needs of our Changing Population: Securing the provision of market and affordable housing of a high quality for a wide range of householders making their home in West Oxfordshire Modern Council Services and Sustainable Finance: Delivering excellent modern services whilst ensuring the financial sustainability of the Council
Key Decision	No
Exempt	No

I. BACKGROUND

- 1.1. Each quarter, the Council monitors its progress towards achieving its aim and priorities, service delivery and financial performance.

2. FINANCIAL REPORTING

- 2.1. The position against forecast continues to be good, albeit with a couple of potential issues that should be noted.

2.2.

Revenue Budget Monitoring 2020/21 - Quarter 3, 1st April 2020 to 31st December 2020

Actual against original budget and against reforecast

	Q3 position			Revised Forecast	
	Profiled Budget £	Actual Exp £	(under) / overspend £	Profiled Q3 Forecast £	(under) / overspend £
Service Area					
Democratic and Committee Services	803,675	695,129	(108,546)	684,875	10,254
Environmental & Regulatory Services	304,398	448,514	144,116	432,167	16,347
Environmental Services	4,909,890	5,043,611	133,721	5,181,773	(138,162)
Finance, Human Resources & Procurement	633,881	628,529	(5,352)	623,606	4,923
ICT, Change & Customer Services	1,385,661	1,406,492	20,831	1,427,286	(20,794)
Land, Legal & Property	673,031	610,385	(62,645)	714,724	(104,339)
Leisure & Communities	886,740	1,652,997	766,257	1,714,009	(61,012)
Planning & Strategic Housing	398,684	277,489	(121,195)	410,294	(132,805)
Revenues & Housing Support	981,898	688,115	(293,783)	778,578	(90,463)
Investment Property and Retained Services	1,304,727	1,696,058	391,330	1,697,173	(1,115)
Total cost of services	12,282,584	13,147,320	864,736	13,664,484	(517,165)
Plus:					
Investment income receipts	(508,125)	(474,770)	33,355	(461,775)	(12,995)
Cost of services before financing:	11,774,459	12,672,549	898,090	13,202,709	(530,160)

- 2.3. Annex B provides detail by budget area, with most managing to pull ahead of where they had predicted they would be. Areas that are behind the reforecast budget tend to have fallen foul of the continued restrictions and further lockdown. It's highlighting however that some of our underspends are also generated by the inability to progress previous plans.
- 2.4. Some areas are currently showing a position that's significantly better than budget, but with an expectation that this will even itself out by the end of the current financial year. Planning, for example, had a huge one off boost to their income, but with other periods behind budget, this is expected to do no more than meet budget by year end - and the concern is that without a similar one off boost, they will struggle to meet next year's income targets.
- 2.5. Revenues and Housing Support have received a lot of grant income this year around Council Tax and Homelessness - but all of this has planned expenditure against it ahead of year end so again, the current surpluses here are expected to be gone by the end of March.

- 2.6. Covid grants in general have been fairly generous this year and will cover our losses and more. This has the benefit of being able to be carried forward into next year when there is more uncertainty around additional support.
- 2.7. Leisure is stable against forecast under the protection of the current contract variation. Discussions are underway with GLL, our leisure provider to establish what support will be required in 21/22. They previously proved that the West Oxfordshire operation could break even under tier 3 restrictions so we are hopeful that our current budgeted position of no management fee income but no additional support paid might be reasonably accurate.
- 2.8. The area of most concern approaching year end is the aged debt. This was previously flagged and work has started on recovery but we still expect to be carrying a significant proportion of elderly balances at the end of the financial year. We have increased the bad debt provision at Q3 but as more of the outstanding balances go into payment plans or are handed to legal - who have limited scope for action currently, an even larger provision is expected to be required at year end.
- 2.9. Our capital spend is attached for reference at Annex C. It's an expectation of spend used to calculate revenue impact and borrowing requirement but some items are still expected to be considered further. Some large items that were unable to be completed this year due to Covid are expected to roll forward to next year (broadband roll out, Ubico vehicle purchase etc)
- 2.10. We are £900K behind our original budget but ahead of the reforecast and all of the shortfall will be covered by grants.

3. PERFORMANCE MANAGEMENT FRAMEWORK - PERFORMANCE REPORTING

- 3.1. A new Council Plan 2020-2024 was approved by Council in January 2020. Due to the impact of Covid-19 on the economy, community, climate change, service delivery and finances, a Local Recovery Plan was approved by Council in October 2020 to complement the delivery of the Council Plan 2020-24. The Covid-19 recovery themes are closely aligned to the six Council Plan priorities to ensure that actions prioritised as part of the Covid-19 recovery will also positively contribute to the achievement of the Council Plan. A report on progress will be provided on a six monthly basis; at the end of Q2 and Q4.
- 3.2. A high level Commissioning Framework was approved by Cabinet in October 2020. The Commissioning Framework identifies that the provision of robust performance data – quantitative and qualitative, together with a robust analysis of that data and evidence – is vital to ensure that the Council has the information to assess whether its commissioned services are being delivered to a high quality.
- 3.3. A new performance management framework has been developed; a much broader framework than previous frameworks. It sets out six key strands of information on which assurance needs to be provided, with a key shift in focus from performance monitoring to performance management:
- Business analytics and service assurance
 - Place based measures and comparators
 - Public Business Plan strategic actions
 - Council Plan priority actions

- Project and programme management assurance
- Risk and opportunity management

3.4. The performance report will continue to evolve in line with the Performance Management Framework as well as feedback from senior officers and Members.

3.5. The Commissioning Framework also sets out the relationship between Publica and the Council and their respective responsibilities. Publica's Executive Director (Commissioning) is accountable to the Council for the services commissioned from Publica, and also for the services commissioned by Publica from third parties on behalf of the Council. Publica must ensure that it provides the necessary information to the Council so it can assess whether the commissioned services are being delivered in accordance with the agreed quality and standard. The Council's Chief Executive is responsible for reviewing and approving the information provided in this report prior to its publication.

3.6. The Council's Chief Executive has received a report on service performance, and he has assessed it in line with the high level Commissioning Statement, and confirms that overall, services have been delivered to the agreed quality and standard. The Chief Executive has also noted the continued impact of Covid-19 on communities, businesses, customers, services, and staff as the nation moves from response to recovery and back to response again. The recent flooding incidents also meant that Ubico crews, staff, councillors and volunteers were out supporting residents over the Christmas period, while other staff helped with coordination and organisation, and keeping residents and communities up to date with the latest information. He has drawn particular attention to the following:

- i. Many services continue to support residents, communities and businesses that have been impacted by Covid-19 as part of their every day job. Enormous efforts continue to be made by a number of services in supporting businesses to access grants, and supporting the Clinically Extremely Vulnerable and other residents to access the help they need;
- ii. The Council's leisure facilities re-opened on 25 July 2020 with additional activities being restarted in line with government guidance, but were required to close down again in line with the announcement of a second lockdown between 5 November and 2 December 2020. Facilities were re-opened in the lead up to Christmas but as Oxfordshire went into Tier 4 on 26 December 2020, all leisure facilities have remained closed from this date. A contract variation and financial recovery package have been agreed to cover the period until March 2021;
- iii. Affordable housing has continued to be delivered in the District and demonstrates the success of the strategic sites included in the Local Plan in bringing forward housing numbers. One hundred and thirty-nine affordable homes were delivered in Q3 bringing the total to 300 for the year so far, and exceeding the Local Plan target of 274;
- iv. The Council's business rates collection figure is being understandably impacted by Covid-19 as is the case with other councils throughout the country. Government has gone some way in helping certain businesses such as retail with 100% business rate relief, but there are still businesses that are struggling financially. The Council is distributing a number of support grants to eligible businesses, however, there is no requirement to use it to pay for business rates;

- v. The Housing team has created exit plans to move households into more secure tenancies including private rented, housing association, and supported accommodation, which has significantly reduced the number of households living in emergency accommodation over the last six months; however, with a third lockdown commencing on 5 January 2021, it is likely that the numbers will start to rise again.

4. COVID-19 UPDATE

- 4.1. During Q3, the key elements of the Community Response hub – call handling, outbound calling, complex welfare support and problem solving, food parcel delivery and welfare checks - were retained but with a much smaller staff resource than during the first lockdown.
- 4.2. The nation entered a second lockdown in November; the Council contacted everyone on the Clinically Extremely Vulnerable list in one form or another depending on their risk factors. An outbound calling team was remobilised to contact a higher risk group, while messages were sent by email and text to others.
- 4.3. Residents that required additional help were referred to the Localities team for more complex support. The team uses a person centred approach to understand the underlying issues and to support the resident to prioritise what s/he may need help with first. This conversation might result in an onward referral to a statutory or voluntary sector service such as Adult Social Care or Citizens Advice, the delivery of an emergency food parcel, a referral to a community support group for befriending or shopping support, or an internal referral to housing services. Between October and December 2020, the Localities team supported 244 residents in this way, and over 1,000 since the start of the response. The lack of a countywide hub such as the one that operates in Gloucestershire has resulted in the district councils in Oxfordshire needing to directly support residents with a wider range of needs. The Community Wellbeing team has remained central to the response and has continued to run the complex calling element whilst balancing the need to continue core work.
- 4.4. During Q3, the Council was also charged with the distribution of its £59k allocation of the government's Emergency Assistance for food and essential supplies funding. The funding was fully utilised on supermarket vouchers for individuals and families in food need (managed by Citizens Advice West Oxfordshire on behalf of the Council), and a grant scheme for community organisations providing food support. In addition, the Council introduced a new grant scheme and allocated £39k to local food projects and foodbanks up to the 31st December.
- 4.5. The Council is continuing to support local businesses who are having to adapt to changing Covid-19 restrictions, and multiple lockdowns. It is responsible for distributing the large range of business grants made available by central government. Financial support is also available to those individuals having to self-isolate under the Test and Trace support payment.
- 4.6. During Q3, the following business grants were awarded:
 - i. Local Restrictions Support Grant (closed) – a total of £ 898,890 was paid out to 544 businesses in retail, leisure, hospitality, and events which were mandated to close between 5 November and 2 December 2020. Further retrospective applications have since been received;
 - ii. Additional Restrictions Grant (discretionary) – a total of £114,028 was paid out to 70 businesses from November to the end of Q3. This grant is available for businesses that do not have a business rate assessment of their own, and would include charity properties and regular market traders;

- iii. Christmas Support Payment for wet-led pubs funding – grants of £1,000 were paid to 13 businesses during December. This fund closes on 28 February 2021;
 - iv. Local Restrictions (closed) – a total of £16,340 was awarded to 17 businesses that were mandated to close either under the Tier system or current lockdown; the fund opened on 2 December.
- 4.7. The administration of business grants and the Test and Trace isolation payments have impacted on resources across a wide range of services including ICT, Accountancy and Accounts Payable, and Revenues and Customer Services. New online application forms have been created and a new process built in Salesforce; and additional returns have been completed on the value of grants paid for each scheme for government reporting. The Revenues and Customer Services teams have supported businesses in responding to their enquiries on the grant process and grant applications. Although additional resource has been made available externally to help administer the grants, existing resources have to support and train them up.

5. FLOODING UPDATE

- 5.1. Over the Christmas period, ninety-six residential properties across 23 parishes, and 23 businesses across six parishes were affected by the flooding; and included a care home and an industrial estate. Further reports of affected properties are still coming in.
- 5.2. River levels rose rapidly on the River Windrush as a result of heavy rainfall on 23 December, and water moving downstream. A flood warning from the Environment Agency (EA) was received during the early evening on 24 December for River Windrush at Witney and Ducklington; and the Council was notified that the Fire and Rescue were laying sandbags at Riverside Gardens in Witney. Nearly 40 properties were flooded in Witney, half of which were in Woodford Mill.
- 5.3. The Fire and Rescue service, Ubico, Council officers, Councillors and communities assisted residents affected by the floods. Ubico crews delivered 1200 sandbags on the 24 December and kept sand bunkers topped up, while Council officers, Councillors and volunteers undertook a door knocking exercise, providing both advice and welfare support. Although, the Council secured ten rooms at the Premier Inn, some residents were able to move upstairs, and the majority of residents who needed to be evacuated were able to stay with family and friends.
- 5.4. There was further flooding on 27 December which affected around ten properties.
- 5.5. West Oxfordshire has not experienced any major flood events since 2007. As a result of the 2007 flooding, the Flood and Water Management Act was introduced in 2010, and the County Council became the designated Lead Local Flood Authority (LLFA), responsible for coordinating flood risk management, and investigating significant flooding incidents (typically defined as five or more properties). Following the investigations on the recent flooding, supported by the Council's Flood Engineering Team, flood reports will be prepared by the LLFA and the EA.
- 5.6. The Council has already started to take the next steps in supporting residents and communities, and improving the Council's response to flood events including:
- i. The flood engineering team will be visiting all flooded properties to provide advice on flood mitigation products;

- ii. The Council will be maintaining communication with Thames Water on sewerage flooding incidents brought to its attention, noting that it does not have any statutory authority over Thames Water.
- iii. The Council will support town and parish councils to prepare community emergency plans;
- iv. There will be a review of sandbag locations as some affected areas had not previously experienced flooding;
- v. Changes will be made to the out of hours service to ensure that a response to a major incident can be mobilised more quickly.

6. SERVICE PERFORMANCE REPORT

- 6.1. Since the start of the pandemic, many services have been impacted by Covid-19; some services such as leisure facilities have had to close during multiple lockdowns and tier restrictions, while other services have experienced higher workloads due to demand or because colleagues were supporting residents, communities, and businesses through the crisis. The majority of staff continue to deliver services from home in compliance with Covid-19 instructions and restrictions. Despite this, many services have performed well with no visible reduction in quality or standard; and customer satisfaction for services delivered by phone remains high at over 90%.
- 6.2. A full report is attached at **Annex A**.

7. LEGAL IMPLICATIONS

- 7.1. None

8. RISK ASSESSMENT

- 8.1. None

9. ALTERNATIVE OPTIONS

- 9.1. None

10. BACKGROUND PAPERS

- 10.1. None