

Agenda

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Finance Panel (Panel of the Scrutiny Committee)

Date: **Monday 3 March 2014**

Time: **5.30 pm**

Place: **Jury Room, Town Hall**

For any further information please contact:

Pat Jones, Principal Scrutiny Officer

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If you would like help to understand this document please call Pat Jones, Principal Scrutiny Officer or in advance of the meeting.

Finance Panel (Panel of the Scrutiny Committee)

Membership

Chair **Councillor Craig Simmons**

Councillor James Fry

Councillor Roy Darke

Councillor Jean Fooks

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AGENDA

PART ONE PUBLIC BUSINESS

| | Pages |
|---|----------------|
| 1 INTEGRATED REPORT 3RD. QUARTER | 5 - 46 |
| <hr/> | |
| <p>Officer: Nigel Kennedy (Head of Finance) will support the Panel in this debate. Tele: 01865 252708 Email: nkennedy@oxford.gov.uk</p> | |
| <hr/> | |
| <p>This report outlines the combined performance at the end of the 3rd. quarter for risk, spending and performance measures.</p> <p>The Panel's focus for this debate is the spending element.</p> <p>Any recommendations from the Panel will be report to the City Executive Board on the 12th. March and circulated to members of the Scrutiny Committee.</p> | |
| 2 QUARTER 3 TREASURY MANAGEMENT PERFORMANCE - 2013/2014 | 47 - 54 |
| <hr/> | |
| <p>Officer: Anna Winship (Financial Accounting Manager) will support the Panel in this debate. Tele: 01865 252517 Email: awinship@oxford.gov.uk</p> | |
| <hr/> | |
| <p>The Finance Panel is the "proper scrutiny body" for the Treasury Management Strategy within the CIPFA code. This report outlines outcomes from the Strategy at quarter 3.</p> <p>The Panel Chair, Councillor Simmons, wishes to raise within this debate the proposals put forward by the group "Fossil Free Oxfordshire" which lobby for divestment from fossil fuel companies.</p> <p>Any recommendations from the Panel will be presented to the City Executive Board on the 12th. March and circulated to the Scrutiny Committee for information.</p> | |

DECLARING INTERESTS

General duty

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your* employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licences for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest.

If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". What this means is that the matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

*Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those of the member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

To: City Executive Board

Date: 12th March 2014 **Item No:**

Report of: Head of Finance
Head of Business Improvement and Technology

Title of Report: Integrated Report 3rd Quarter 2013/2014

Summary and Recommendations

Purpose of report: To update Members on Finance, Risk and Performance as at the end of Quarter 3, 31st December 2013.

Key decision: No

Executive lead member: Councillor Ed Turner

Policy Framework: Improving value for money and service performance

Recommendation(s):

The City Executive Board is requested to:

- a) Note the financial position and performance of the Council for the third quarter of 2013/14 and also the position of risks outstanding as at 31st December 2013.
- b) Recommend Members approve in principle the earmarking of any year-end General Fund savings specifically for the use of funding the Council's capital programme.

Appendix A - Corporate Integrated Report

Appendix B - City Regeneration Integrated Report

Appendix C - Organisational Development and Services Integrated Report

Appendix D - Community Services Integrated Report

Appendix E - September Finance Performance Report

Appendix E1 – General Fund December Forecast Outturn

Appendix E2 – Capital Programme December Forecast Outturn

Appendix E3 – HRA December Forecast Outturn

Appendix E4 – General Fund December Year to Date Position

Background

1. This quarterly report updates the executive on financial, service performance and risks faced by the Council.

Performance Summary

2. This section is broken down into 3 sub-sections;
 - I. Current quarter's information on performance targets broken down between the RAG categories.
 - II. A summary of the previous quarter's position.
 - III. Direction of Travel table displaying the movement between categories from one quarter to the next.

Risk Management

3. This section is similarly broken down into the same 3 sub-sections;
 - I. Current quarter's information on performance targets broken down between the (Red, Amber, Green - RAG) categories.
 - II. A summary of the previous quarter's position.
 - III. Direction of Travel table displaying the movement between categories from one quarter to the next.

Financial Implications

4. The following tolerances apply to the financial dials in the summary reports:
 - Green** - Forecast outturn is within 100% of the latest approved budget.
 - Amber** - Forecast outturn is within 100% - 105% of the latest approved budget.
 - Red** - Forecast outturn is over 105% of the latest approved budget. Performance in this area is a potential concern and will be commented on within the report.
5. Detailed financial analysis and narrative is provided at Appendix E of the attached Integrated Report.
6. Briefly summarising the General Fund is currently predicted to show a £2.341 million favourable variance against the latest budget position primarily created by £1.6m associated with the HRA asset transfers and interest review, with the balance mainly coming from underspends within service areas. The HRA is similarly predicted to show a year-end surplus of approximately £7.573 million, caused by slippage in the HRA capital programme, particularly the Homes and Communities Agency 113 new build properties that will now be delivered in 2014/15. This has subsequently meant that less HRA revenue resources are now needed in 2013/14 to fund the latest HRA capital programme. The position is further helped by the increased capital receipts from additional Right to Buy disposals during 2013/14

Legal Implications

7. There are no legal implications directly relevant to this report.

Name and contact details of author:-

Name: Nigel Kennedy, Jane Lubbock

Job title: Head of Finance, Head of Business Improvement and Technology

Service Area / Department: Finance, Business Improvement and Technology

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List of background papers:

Version number:

Appendix A Corporate Integrated Report Q3 2013/14

Financial Performance

General Fund



Budget: £23,706,780
Forecast: £21,365,780
Variance: £-2,341,000
Prev Qtr: £21,443,000
Movement: £-77,220

HRA



Budget: £-1,865,000
Forecast: £-7,573,000
Variance: £-5,708,000
Prev Qtr: £608,000
Movement: £-8,181,000

Capital



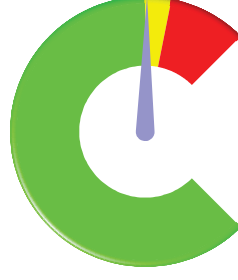
Budget: £29,377,178
Forecast: £27,365,634
Variance: £-2,011,544
Prev Qtr: £30,859,000
Movement: £-3,493,366

Efficiencies



Budget: £-1,320,000
Forecast: £-1,320,000
Variance: £0
Prev Qtr: £-1,320,000
Movement: £0

Employees



Budget: £45,200,000
Forecast: £45,350,000
Variance: £150,000
Prev Qtr: £45,509,000
Movement: £-159,000

Supplies and Services



Budget: £22,479,250
Forecast: £22,299,231
Variance: £-180,019
Prev Qtr: £22,326,231
Movement: £-27,000

Performance Summary

| Priority | No Data | Red | Amber | Green |
|------------------------------------|---------------|----------------|---------------|-----------------|
| Vibrant and Sustainable Economy | 0 (0%) | 2 (50%) | 0 (0%) | 2 (50%) |
| Meeting Housing Need | 0 (0%) | 2 (33%) | 0 (0%) | 4 (67%) |
| Strong and Active Communities | 0 (0%) | 1 (33%) | 1 (33%) | 1 (33%) |
| Cleaner Greener Oxford | 0 (0%) | 0 (0%) | 0 (0%) | 5 (100%) |
| An Efficient and Effective Council | 0 (0%) | 0 (0%) | 0 (0%) | 4 (100%) |
| Total | 0 (0%) | 5 (23%) | 1 (5%) | 16 (73%) |

| Priority | No Data | Red | Amber | Green |
|------------------|---------|---------|---------|----------|
| Previous Quarter | 0 (0%) | 4 (18%) | 3 (14%) | 15 (68%) |

Direction of Travel

| Priority | No Data | Declining | No Change | Improving |
|------------------------------------|---------------|----------------|----------------|-----------------|
| Vibrant and Sustainable Economy | 0 (0%) | 1 (25%) | 1 (25%) | 2 (50%) |
| Meeting Housing Need | 0 (0%) | 1 (17%) | 1 (17%) | 4 (67%) |
| Strong and Active Communities | 0 (0%) | 0 (0%) | 1 (33%) | 2 (67%) |
| Cleaner Greener Oxford | 0 (0%) | 1 (20%) | 1 (20%) | 3 (60%) |
| An Efficient and Effective Council | 0 (0%) | 0 (0%) | 1 (25%) | 3 (75%) |
| Total | 0 (0%) | 3 (14%) | 5 (23%) | 14 (64%) |

Risk Management

| Ref: | Category | Description | Previous | | Current | | Trend | Declined to red? |
|---------|---|--|----------|---|---------|---|-------|------------------|
| | | | P | I | P | I | | |
| CRR-020 | Robustness of Medium Term Financial Plan | Medium Term Financial Plan savings not delivered and pressures not accurately recorded | 3 | 3 | 3 | 3 | ↗ | |
| CRR-021 | Adverse Weather | The impact of adverse weather on service delivery and adverse financial impact on Council | 2 | 4 | 2 | 4 | ↗ | |
| CRR-025 | Health & Safety of People | Health & Safety of People | 3 | 3 | 3 | 3 | ↗ | |
| CRR-026 | Health & Safety of Property | Health & Safety of Property | 3 | 3 | 3 | 3 | ↗ | |
| CRR-027 | Fraud | Risk of fraud against the council | 3 | 3 | 3 | 3 | ↗ | |
| CRR-028 | Data Protection | Risk of breaching the Data Protection Act | 3 | 3 | 3 | 3 | ↗ | |
| CRR-029 | Managerial Capacity | Managers become overstretched lose sight and focus on service delivery and performance suffers | 2 | 4 | 2 | 4 | ↗ | |
| CRR-019 | ICT Resilience | Resilience of ICT function - managing projects and improvements alongside business as usual | 3 | 4 | 3 | 3 | ↖ | |
| CRR-023 | Managing Capital Projects and Contract Management | The need to ensure efficient management of capital projects and contracts | 3 | 4 | 3 | 3 | ↖ | |
| CRR-022 | Welfare Reform | Changes to legislation | 3 | 4 | 2 | 3 | ↖ | |

CORPORATE SUMMARY

1 OVERALL SUMMARY POSITION

The GF financial position continues to be suitably robust, enhanced significantly by the HRA asset transfer initiative. This will continue in future years and be beneficial for many years to come. HRA activity continues to be dominated by the slippage in capital schemes into 2014/15. Spending plans for the HRA are significant over the next few years and given projected rent level increases capital project delivery on time, on budget and to the required quality is essential in order for the HRA to remain financially strong to meet the challenges in future years. These capital programme concerns extend to the delivery of capital schemes across the Council as a whole. Whilst many legitimate reasons are deemed to be external to the organisation better planning of spend is nonetheless a focus that is required for the authority moving forward.

The delivery of capital projects is an identified corporate risk and progress in mitigating the internal causes of these delays is something that is being addressed.

2 FINANCE OVERALL



General Fund

The financial position is looking particularly favourable resulting from a variety of factors that have reduced the original budgeted net spend for the year down by approximately £3.2m. This is summarised as follows;

| Activity | £m |
|--|----------------|
| Net impact of HRA asset transfers (transferred to Reserves) | (1.320) |
| Service Areas Variance against Latest Budget | (0.472) |
| Additional Interest from Internal Borrowing (updated rates) | (0.371) |
| Additional Interest payable | 0.018 |
| Additional Investment Income (increased cash balances/returns) | (0.196) |
| Sub - Total | (2.341) |
| Reduced Risk Contingency (actioned in August 2013) | (0.800) |

Total

(3.141)

HRA

The HRA outturn position has changed significantly, predominately from significant slippage in the HRA capital programme associated with the 113 Homes and Communities Agency (HCA) part funded new build scheme that will now take place in 2014/15. This has meant much lower revenue contributions to fund capital expenditure is now required in 2013/14, coupled with the additional capital receipts generated from the higher RTB disposals that have occurred so far in the year (32 disposals as at 31 December 2013).

Over the medium term the HRA is planning to embark on some ambitious capital spend, particularly for new affordable housing, Tower Blocks and Estates Regeneration and as such close monitoring of financial performance is especially needed.

Capital

Further reductions in capital spend forecasts have been reported as at Q3. Appendix E2 details the authority's programme by service area.

To assist in better project planning a series of internal training sessions are planned to provide staff with further tools to achieve better capital project delivery in future years. This is in addition to CMT reviewing the deliverability of new bids.

Efficiencies

Whilst these are being achieved in full it is worth noting that £245k of the planned £1,320k will be achieved via alternative mitigating actions.

10 3 PERFORMANCE OVERALL

Overall the Council's performance against its corporate targets is good with 16 (72%) delivering as planned. One (4%) is below target but within acceptable tolerance limits, and five (23%) are off target. Exceptions to targeted performance are set out in the section below.

Quarter 3 compares less favourably with Quarter 2 where 16 (72%) of targets were achieved or exceeded and three (14%) were off target.

Corporate Performance indicator Exceptions

Red:

Vibrant and Sustainable Economy: The number of training places and jobs created through Council investment projects - December performance of 275 is currently behind its profiled target of 500 largely due to delays in commencing the competition pool construction. December data includes 12 new jobs/apprentices at the Blackbird Leys development and 2 from the Pavilions.

Vibrant and Sustainable Economy: Achieve results for Oxford city schools that are 10% above the national average for KS2 by April 2015 - latest results issued in December are 62% against a target of 68%. It is too early to be definitive about the success of this scheme which will become evident with the KS2 results next year. However, reports on progress with the scheme and in classroom results give us confidence that we will achieve the targets.

Meeting Housing Need: Capital investment in Council housing - Spend is behind profile mainly as a result of over optimistic profiling of the Affordable Housing Programme new build. The delivery of the additional 113 new units continues to be on track for delivery of the overall programme by March 2015. The remainder of the housing programme remains broadly on schedule.

Meeting Housing Need: Number of new Rough Sleepers spending a second night on the streets - Latest data is from a rough sleeper count in November 2013 which counted 9 new rough sleepers spending a second night on the street. The total count was 19 (13 of which were new to rough sleeping).

Strong and Active Communities: Satisfaction with our neighbourhoods - Direct Services and Environmental Development are working closely to identify and target specific areas for a litter/ street cleanliness mini-purge. The City Council is working in close partnership with OxClean to support their annual Spring Clean event

Amber:

Strong and Active Communities: The number of young people accessing youth engagement projects and activities outside school hours - December performance was recorded as 4,416 against a profiled target of 4,500. We are still awaiting data from the Community Sports Activation Fund and from Fusion to add to this period's figure. We are also diligently checking that the numbers are accurate to the best standard possible and are confident that we will exceed the target.

4 RISK OVERALL

Corporate Risk Exceptions

The Corporate risk register has been reviewed thoroughly since the second quarter of the year and this has now identified no current red risks.

Three risks which were recorded as red in the previous quarter have been reduced, two of them to amber and one to green.

One of the risks previously showing as red that has been reduced to an Amber risk, relates to the Resilience of the ICT function, in particular the managing of projects and improvements alongside business as usual, which leads to capacity issues and the inability to provide good quality and consistent service. This has now been mitigated by cross skilling of staff and ensuring all keys posts are filled within ICT.

In addition, the rationalisation of applications requiring support and the transfer of the helpdesk to Oxfordshire County Council has helped with capacity.

The second red risk that has been downgraded to amber relates to the Managing of Capital Projects and Contract Management. This has been achieved by ensuring robust project management techniques are introduced, in particular the use of PID's (Project Implementation Documents) for all projects.

The final red risk that has been downgraded to a green risk, relates to changes to legislation regarding Welfare Reforms and the potential impact, directly and indirectly, to the Council. This has been achieved, in part, by engaging with the third sector and other partners to ensure a coordinated approach to service delivery. Also by learning from pilot projects and communicating the findings across the Council service areas linked with these activity improvements will naturally be realised.

City Regeneration Integrated Report Q3 2013/14

Financial Performance

City Development



Budget: £1,395,810
 Forecast: £1,458,810
 Variance: £63,000
 Prev Qtr: £1,395,810
 Movement: £63,000

Housing and Property



Budget: £4,076,591
 Forecast: £4,176,591
 Variance: £100,000
 Prev Qtr: £4,176,591
 Movement: £0

Regeneration and Major Projects



Budget: £-5,092,349
 Forecast: £-5,436,349
 Variance: £-344,000
 Prev Qtr: £-5,436,349
 Movement: £0

Performance Summary

| Service | No Data | Red | Amber | Green |
|---------------------------------|---------------|---------------|---------------|-----------------|
| City Development | 0 (0%) | 1 (33%) | 0 (0%) | 2 (67%) |
| Housing and Property | 0 (0%) | 0 (0%) | 0 (0%) | 8 (100%) |
| Regeneration and Major Projects | 0 (0%) | 0 (0%) | 1 (13%) | 7 (88%) |
| Total | 0 (0%) | 1 (5%) | 1 (5%) | 17 (89%) |

Direction of Travel

| Service | No Data | Declining | No Change | Improving |
|---------------------------------|---------------|----------------|----------------|----------------|
| City Development | 0 (0%) | 1 (33%) | 0 (0%) | 2 (67%) |
| Housing and Property | 0 (0%) | 1 (13%) | 4 (50%) | 3 (38%) |
| Regeneration and Major Projects | 0 (0%) | 0 (0%) | 4 (50%) | 4 (50%) |
| Grand Total | 0 (0%) | 2 (11%) | 8 (42%) | 9 (47%) |

Risk Summary

| Service | No Data | Red | Amber | Green |
|---------------------------------|---------------|---------------|-----------------|----------------|
| City Development | 0 (0%) | 0 (0%) | 6 (75%) | 2 (25%) |
| Housing and Property | 0 (0%) | 0 (0%) | 6 (86%) | 1 (14%) |
| Regeneration and Major Projects | 0 (0%) | 1 (11%) | 7 (78%) | 1 (11%) |
| Total | 0 (0%) | 1 (4%) | 19 (79%) | 4 (17%) |

Direction of Travel

| Service | No Data | Declining | No change | Improving |
|---------------------------------|---------------|----------------|-----------------|---------------|
| City Development | 0 (0%) | 0 (0%) | 8 (100%) | 0 (0%) |
| Housing and Property | 0 (0%) | 1 (14%) | 6 (86%) | 0 (0%) |
| Regeneration and Major Projects | 0 (0%) | 4 (44%) | 5 (56%) | 0 (0%) |
| Total | 0 (0%) | 5 (21%) | 19 (79%) | 0 (0%) |

CITY REGENERATION DIRECTORATE

Directorate Overview

For the Directorate as a whole 17 (89%) of performance measures are on target with 1 (5%) below target but within tolerance limits and 1 (5%) off target, which is an improvement in performance over quarter 2. The Financial performance of the Directorate has improved over the quarter but concerns and issues do still remain over the longer term especially related to Homelessness spend, the delivery of efficiency savings and Building Control fees projections. Risks predominately relate to the recruitment and retention of staff.

Summarising the demands to meet the budget savings and performance targets set in the Council's MTFP are becoming more challenging in certain areas along with staff turnover in Building Control and Regeneration and Major Projects that has increased the risks associated with capital programme delivery.

1. Directorate Financial Performance

The Directorate is currently estimated to have a projected outturn position of £ 0.199 million. This is favourable against the latest budget position by £ (0.181) million.

City Development

Building Control fees are expected to be below budget by £100k by year end. It is fair to say that the Building Control service has experienced a number of issues during the year both internally arising from staff turnover and externally via growing competition from the private sector. That said future income generation performance will continue to be monitored and reported in 2014/15. Additional income from Pre-Application Advice has slightly offset the Building Control position.

Housing

The GF Housing service, now called Housing and Property, incorporates the transferred Garages expenditure and income from the HRA, together with the Building Design and Construction team from the Regeneration and Major Project's service area. Part of the Council's 2013/14 efficiency savings was an intention to deliver £0.100 million from the combined transferred Building Design and Construction and Major Projects teams. Given the issues and timing associated with the transferred team it is now envisaged that the efficiency savings will now not be delivered. Hence an adverse variance of £0.100 million is being reported. That said this is expected to be offset by mitigating activities within Regeneration and Major Projects.

Regeneration and Major Projects

Similar to the garages mentioned above, the commercial properties previously accounted for within the HRA have likewise been transferred to the GF following Members approval in September, to the Regeneration and Major Projects service area. A number of net beneficial projected outturn revisions to the original budgeted position have materialised during the year that are primarily being used to mitigate the non-achievement of the £0.100 million efficiency targets identified for the Design and Construction/Major Project teams within Housing and Property. The position reported in November was £ (0.240) million favourable but this has now moved to £ (0.344) million favourable due to further favourable rent reviews now projected for the year.

2. **Directorate Performance - Exceptions:**

City Development

Net additional homes provided - December performance was 60 against a profile target of 162. Housing completions are still below target, reflecting the national decline in house building. The situation is expected to improve in 2014 as the increased number of sites going through the planning process translates into construction activity on the ground

Regeneration and Major Projects

Rental Income Arrears - Arrears are roughly in line against a target of 5%. Arrears as at 22nd December were at 6% and marginally above 5% target, but within tolerance.

3. **Risk Performance- Exceptions**

City Development

There are no red risks within this service area.

Housing and Property

There are no red risks within this service area.

Regeneration and Major Projects

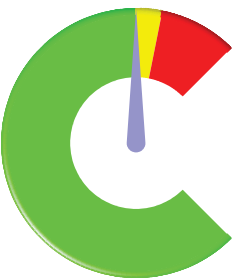
There is one red risk within this service area. This relates to the inability to recruit and retain staff. A position has recently been filled in this team which should lead to the risk grading being reduced by the next quarter.

Appendix C

Organisational Development and Services Integrated Report Q3 2013/14

Financial Performance

Transformation



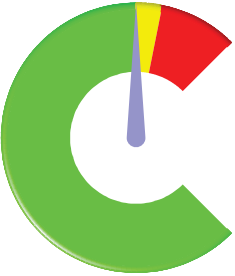
Budget: £823,221
Forecast: £823,221
Variance: £0
Prev Qtr: £823,221
Movement: £0

Business Improvement and Technology



Budget: £3,947,263
Forecast: £3,947,263
Variance: £0
Prev Qtr: £3,947,263
Movement: £0

Customer Services



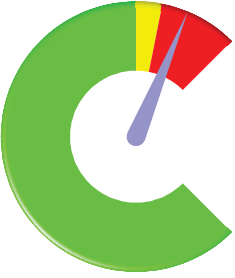
Budget: £3,125,391
Forecast: £3,125,391
Variance: £0
Prev Qtr: £3,125,391
Movement: £0

Finance



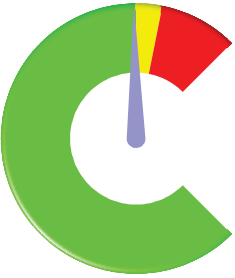
Budget: £2,100,346
Forecast: £2,100,346
Variance: £0
Prev Qtr: £2,100,346
Movement: £0

Human Resources and Facilities



Budget: £1,593,588
Forecast: £1,752,588
Variance: £159,000
Prev Qtr: £1,752,588
Movement: £0

Law and Governance



Budget: £2,587,234
Forecast: £2,577,234
Variance: £-10,000
Prev Qtr: £2,577,234
Movement: £0

Performance Summary

| Service | No Data | Red | Amber | Green |
|-------------------------------------|---------------|----------------|----------------|-----------------|
| Business Improvement and Technology | 0 (0%) | 2 (33%) | 0 (0%) | 4 (67%) |
| Customer Services | 0 (0%) | 1 (14%) | 4 (57%) | 2 (29%) |
| Finance | 0 (0%) | 4 (25%) | 4 (25%) | 8 (50%) |
| Human Resources and Facilities | 0 (0%) | 1 (25%) | 1 (25%) | 2 (50%) |
| Law and Governance | 0 (0%) | 0 (0%) | 0 (0%) | 2 (100%) |
| Total | 0 (0%) | 8 (23%) | 9 (26%) | 18 (51%) |
| Previous Quarter | No Data | Red | Amber | Green |
| | 0 (0%) | 11 (31%) | 7 (20%) | 17 (49%) |

Direction of Travel

| Service | No Data | Declining | No Change | Improving |
|-------------------------------------|---------------|----------------|----------------|-----------------|
| Business Improvement and Technology | 0 (0%) | 1 (17%) | 2 (33%) | 3 (50%) |
| Customer Services | 0 (0%) | 1 (14%) | 0 (0%) | 6 (86%) |
| Finance | 0 (0%) | 3 (19%) | 5 (31%) | 8 (50%) |
| Human Resources and Facilities | 0 (0%) | 2 (50%) | 0 (0%) | 2 (50%) |
| Law and Governance | 0 (0%) | 0 (0%) | 2 (100%) | 0 (0%) |
| Grand Total | 0 (0%) | 7 (20%) | 9 (26%) | 19 (54%) |

Risk Summary

| Service | No Data | Red | Amber | Green |
|-------------------------------------|---------------|---------------|-----------------|-----------------|
| Business Improvement and Technology | 0 (0%) | 0 (0%) | 2 (25%) | 6 (75%) |
| Customer Services | 0 (0%) | 0 (0%) | 7 (88%) | 1 (13%) |
| Finance | 0 (0%) | 0 (0%) | 1 (14%) | 6 (86%) |
| Human Resources and Facilities | 0 (0%) | 0 (0%) | 2 (40%) | 3 (60%) |
| Law and Governance | 1 (20%) | 0 (0%) | 3 (60%) | 1 (20%) |
| Total | 1 (3%) | 0 (0%) | 15 (45%) | 17 (52%) |
| Previous Quarter | No Data | Red | Amber | Green |
| | 4 (11%) | 0 (0%) | 16 (33%) | 17 (34%) |

Direction of Travel

| Service | No Data | Declining | No change | Improving |
|-------------------------------------|---------------|----------------|-----------------|----------------|
| Business Improvement and Technology | 1 (13%) | 0 (0%) | 5 (63%) | 2 (25%) |
| Customer Services | 0 (0%) | 3 (38%) | 5 (63%) | 0 (0%) |
| Finance | 0 (0%) | 1 (14%) | 3 (43%) | 3 (43%) |
| Human Resources and Facilities | 0 (0%) | 0 (0%) | 5 (100%) | 0 (0%) |
| Law and Governance | 0 (0%) | 0 (0%) | 4 (100%) | 0 (0%) |
| Total | 1 (3%) | 4 (13%) | 22 (69%) | 5 (16%) |

ORGANISATIONAL DEVELOPMENT AND CORPORATE SERVICES DIRECTORATE

Directorate Overview

For the Directorate as a whole 18 (51%) of performance measures are on target with 9 (26%) below target but within tolerance limits and 8 (23%) off target. This represents an improvement in performance from quarter 2.

With regards to Finance performance the Directorate continues to project a year-end adverse position due to activities within Facilities Management. Details are listed below. There is nothing to report for risk.

Summarising, performance is improving and financial management has ensured the position is not worsening. Risks management, whilst static at the moment may start to rise if improvements in finance and performance don't materialise in the remaining months of the financial year.

1. Directorate Financial Performance

The Directorate is currently estimated to have a projected outturn position of £14.326 million, which continues to be adverse against the latest budget by £0.149 million and has arisen predominately from within Human Resources and Facilities. This is unchanged from that reported last month.

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Business Improvement and Technology

There is no projected year-end variance being reported for this service area as at the end of September Q3.

Customer Services

Similarly Customer Services are reporting year-end spend to be in line with the latest budget position and such no variances are being reported at this stage for this service area.

Finance

Likewise Finance is estimated to be spending in line with the latest budget position and no year-end variances are reported as at Q3.

Human Resources and Facilities

With regards to Human Resources and Facilities there is a £0.159 million adverse year-end variance reported for the end of Q3:

| | £m |
|-----------------------------------|----------------|
| Vending machine settlement | - 0.030 |
| Review of Town Hall Café contract | - 0.024 |
| Post Room Income | - 0.070 |
| Corporate Training Underspend | - (0.015) |
| Town Hall income shortfall | - <u>0.050</u> |

Law and Governance

This service area is projecting a slight underspend of £ (0.010) million as at the end of December.

2. Directorate Performance - Exceptions

Business Improvement and Technology

ICT contract savings - Savings of £32,000 have been achieved against a profiled target of £37,500. A further £10,000 in savings was achieved this quarter, primarily through software licence and active directory account reductions.

Average number of days to manage a full EU open tender - Performance is 205 days against a profiled target of 116 days. As for quarter 2, three tenders are responsible for the excessive timeline out of four tenders concluded within the preceding 12 months, with no new contracts concluding to affect performance.

Customer Services

Percentage of Council Tax collected - Collection rate for the year to date is 84.3% against a profiled target of 85%. This was 0.33% down on last year's equivalent of 84.63%. In cash collection terms we are £489,000 short of the profiled target. We are currently reviewing recovery routines to ensure we can maximise income collection within year and recover at the earliest opportunity.

Percentage of rent collected - Year to date performance is 95.7% against a profiled target of 96.67%. The performance against target is lower than expected but the profile of collection against the end of year target is still on course to be achieved.

Time to process new benefits claims - Year to date performance is an average of 19.92 days compared to a target of 14 days. Recent results are showing a real, sustained improvement which the new processes and improved performance management have made possible. The in-month performance for new claims was 10.2 days, a significant reduction from September's in-month performance of 21.12 days. The team are now coming into the busiest time of the year with rent changes and changes to pensions and other benefits. We thus anticipate that the days to process New Claims may increase slightly as a result.

Time to process changes in circumstances -December's in-month performance was 7.7 days and is close to the target of 10 days, but year to date performance is at average of 12 days. The forecast is that the target of 10 days will be achieved at year end and the first time in a number of years. The team are now coming into the busiest time of the year with rent changes and changes to pensions and other benefits. We thus anticipate that the days to process Change in Circumstances will reduce significantly as they are processed in advance of the date of change.

Customers' getting through first time on Councils Main Service lines - Year to date performance was 92.53% against a target of 95%, and is gradually improving. In December, we rolled out the new workforce management system which is really helping us to better plan and so maximise our resources. In January, the telephony system will be upgraded to introduce new functionality which enables customers to request a call back rather than wait in a queue and this should further help reduce abandoned calls.

Finance

Percentage of invoices paid on time - A small improvement has been seen to take year to date performance to 92.24% against a target of 98%. The drop is due to the introduction of new processes and procedures in respect of P2P. Time is required to embed these new processes that will result in performance increasing.

Numbers of returned Social Housing dwellings through criminal proceedings - No cases have been progressed to date against a profiled target of 3. First potential prosecutions for housing fraud are in final stages, before instructing Legal. However, these cases may not be concluded within the judicial system in this financial year.

Housing Benefit Security; Number of investigations per 1000 caseload - December performance is at 40 against a target of 45. Housing Benefit data matches have moved to the Housing Benefit team for action. This will greatly affect performance against this measure in Finance. This, coupled with the lower case limits in order to resource the work being done for South and Vale, means this performance measure is unlikely to be met this year.

Percentage of orders issued electronically - previous years targets were set at 60%. However, with the introduction of P2P planned for 2013/14 this target was raised to 80%. With the implementation delays associated with P2P the cumulative increase in performance is lower than anticipated but the performance in December was nonetheless 76% just short of the target set for the year..

Percentage of debtors on direct debits - performance has improved to 19% since quarter 2, and is now just below the target of 20%.

Investment return above base rate - Performance of 0.34% is above the target of 0.50%. Our investments remain in a similar position to what they were in November 2013. The slightly reduced rate of return is primarily due to fluctuations in yields offered by the money market funds; Goldman Sachs MMF dropped 9 basis points overnight at the end of December but immediately recovered the following business day.

Percentage of remittance advices emailed - work continues to request email information from suppliers to improve performance here, but year to date performance of 87% is still below the target of 90%.

Human Resources and Facilities

Percentage of black and ethnic minority employees - The figure of 6.2% has remained stable during the past two months. Recruitment trends indicate that 15% of shortlisted Black and Minority Ethnic (BME) applicants were offered posts in the first quarter of 2013 compared with 10% during 2012/13. An Unconscious Bias workshop was presented to managers in September and the Management Team also held a diversity workshop that led to some formative actions agreed.

Percentage of employees with a disability - Disability figures have remained at broadly the same level during the past recruitment year (9.1% against a target of 10%). The number of applicants declaring a disability has seen a slight drop, but the 'Two Ticks' principles ensure all suitable candidates are interviewed.

3. Risk Performance- Exceptions

Business Improvement and Technology

There are no red risks in this service area.

Customer Services

There are no red risks in this service area.

Finance

There are no red risks in this service area.

Human Resources & Facilities Management

There are no red risks in this service area.

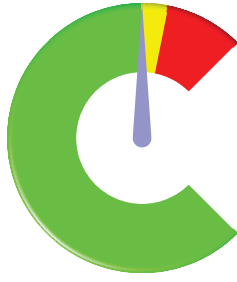
Law & Governance

There are no red risks in this service area.

Community Services Integrated Report Q3 2013/14

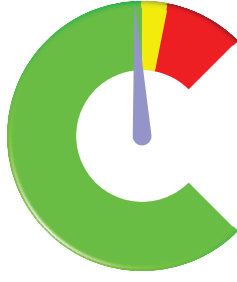
Financial Performance

Policy, Culture and Communications



Budget: £1,432,311
 Forecast: £1,432,311
 Variance: £0
 Prev Qtr: £1,432,311
 Movement: £0

Environmental Development



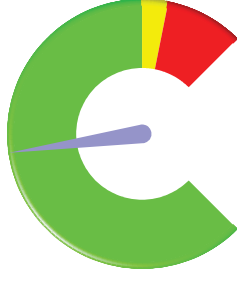
Budget: £2,820,355
 Forecast: £2,780,355
 Variance: £-40,000
 Prev Qtr: £2,780,355
 Movement: £0

Leisure, Parks and Communities



Budget: £6,452,380
 Forecast: £6,452,380
 Variance: £0
 Prev Qtr: £6,452,380
 Movement: £0

Direct Services



Budget: £-917,152
 Forecast: £-1,317,152
 Variance: £-400,000
 Prev Qtr: £-1,317,152
 Movement: £0

Performance Summary

| Service | No Data | Red | Amber | Green |
|-----------------------------------|---------------|----------------|---------------|-----------------|
| Direct Services | 0 (0%) | 0 (0%) | 0 (0%) | 9 (100%) |
| Environmental Development | 1 (14%) | 0 (0%) | 0 (0%) | 6 (86%) |
| Leisure Parks and Communities | 0 (0%) | 4 (25%) | 2 (13%) | 10 (63%) |
| Policy Culture and Communications | 0 (0%) | 1 (7%) | 0 (0%) | 14 (93%) |
| Total | 1 (2%) | 5 (11%) | 2 (4%) | 39 (83%) |

Direction of Travel

| Service | No Data | Red | Amber | Green |
|------------------|---------|---------|--------|----------|
| Previous Quarter | 0 (0%) | 5 (11%) | 1 (2%) | 41 (87%) |

Risk Summary

| Service | No Data | Red | Amber | Green |
|-----------------------------------|---------------|---------------|-----------------|-----------------|
| Direct Services | 0 (0%) | 1 (13%) | 2 (25%) | 5 (63%) |
| Environmental Development | 1 (11%) | 0 (0%) | 6 (67%) | 2 (22%) |
| Leisure Parks and Communities | 0 (0%) | 0 (0%) | 5 (56%) | 4 (44%) |
| Policy Culture and Communications | 0 (0%) | 0 (0%) | 1 (20%) | 4 (80%) |
| Total | 1 (3%) | 1 (3%) | 14 (45%) | 15 (48%) |

Direction of Travel

| Service | No Data | Red | Amber | Green |
|------------------|---------|--------|----------|---------|
| Previous Quarter | 1 (3%) | 0 (0%) | 23 (43%) | 8 (21%) |

| Service | No Data | Declining | No Change | Improving |
|-----------------------------------|---------------|----------------|-----------------|-----------------|
| Direct Services | 0 (0%) | 4 (44%) | 3 (33%) | 2 (22%) |
| Environmental Development | 0 (0%) | 1 (17%) | 2 (33%) | 3 (50%) |
| Leisure Parks and Communities | 0 (0%) | 4 (25%) | 9 (56%) | 3 (19%) |
| Policy Culture and Communications | 0 (0%) | 0 (0%) | 4 (27%) | 11 (73%) |
| Grand Total | 0 (0%) | 9 (20%) | 18 (39%) | 19 (41%) |

| Service | No Data | Declining | No change | Improving |
|-----------------------------------|---------------|---------------|-----------------|-----------------|
| Direct Services | 0 (0%) | 1 (13%) | 4 (50%) | 3 (38%) |
| Environmental Development | 0 (0%) | 0 (0%) | 6 (75%) | 2 (25%) |
| Leisure Parks and Communities | 0 (0%) | 1 (11%) | 6 (67%) | 2 (22%) |
| Policy Culture and Communications | 0 (0%) | 0 (0%) | 0 (0%) | 5 (100%) |
| Total | 0 (0%) | 2 (7%) | 16 (53%) | 12 (40%) |

COMMUNITY SERVICES DIRECTORATE

Directorate Overview

For the Directorate as a whole 39 (83%) of performance measures are on target with 2 (4%) below target but within tolerance limits and 5 (11%) off target. This compares less favourably with quarter 2 performance of 41 (87%) performance measures on target and 5 (11%) off target. Finance performance has by and large remained static save for a favourable projection associated with Direct Services and risk measures have likewise remained limited.

Summarising, overall performance as at Q3 is satisfactory with no major finance or risk issues being identified. Performance management in some areas does need attention if 2013/14 targets are to be achieved.

1. Directorate Financial Performance

The Directorate is currently estimated to have a projected outturn position of £9.348 million, which is £ (0.440) million favourable against the latest budget and is predicted to materialise from within Direct Services £ (0.400) million and Environmental Development (0.040) million. This is £ (0.050) million more favourable than that reported last month.

Policy, Culture and Communications

PCC is estimated to be spending in line with the latest budget position and no year-end variances are reported as at Q3.

Environmental Development

Within Environmental Development further work has been carried out during December to provide a more up to date year-end projection. As numerous new structure posts remain vacant (especially within Business Development) the year-end projection seems to be indicating that a £ (0.040) million underspend will materialise by year-end even though recruitment to several vacant posts has nonetheless occurred in the past month.

Leisure, Parks and Communities

There is no projected year-end variance being reported for this service area as at the end of September Q3.

Direct Services

A breakdown of the Direct Services position is shown below;

| <u>Budget Pressures</u> | |
|--|----------------|
| NDR uplifts on Direct Services buildings | - £0.100m |
| Non-achievement of Horspath Rd Depot rental saving | - £0.115m |
| Motor Transport under recovery | - £0.185m |
| | <u>£0.400m</u> |

Mitigating Action

| | | |
|---|---|-----------------------|
| Vacancies and Pensions underspend due to staff opting out of the scheme | - | £0.350m |
| Motor Transport Auction | - | £0.100m |
| Additional car park income | - | £0.100m |
| External work won by Streetscene Service | - | £0.100m |
| Additional engineering income | - | £0.150m |
| | | <u>£0.800m</u> |

2.

Directorate Performance - Exceptions

Policy, Culture and Communications

Increase advertising revenue through Your Oxford - Revenue is currently £6,499 against a profiled target of £13,000. A further £1,725 in advertising for the next issues has been secured but has not yet been paid, and so is not reflected in December's data.

Leisure, Parks and Communities

Continuously improve our approach to people and equalities - Training is further embedding within the service, but performance of 2.53 days per employee is currently below the profiled target of 2.62. Increased training opportunities in the final quarter of the year will enable us to achieve our target based on the training scheduled to take place.

Increase satisfaction with parks - Results of the winter 2012 talkback survey show that satisfaction has decreased to 81% against the target for the year of 90%. Whilst this is still high, we are back to 2009/10 figures. The poor summer weather could be a factor for the lower score.

Reduce subsidy per user in leisure centres - Subsidy per user year to date of £0.64 is below the profiled target of £0.53. Whilst the management fee paid to Fusion has not changed the number of visits to facilities year to date is lower than profiled.

Reduce the cost of parks per household - 2013/14 data is not yet available. The 2012/13 end of year figure was £41 compared to a target of £40. However this still compares favourably to a national benchmark average cost of £61 per household.

To increase participation at our leisure centres by target groups - Year to Date participation shows 325,137 visits; compared with 341,061 visits for the same period in 2013. In 2012/13 there was more than a 110 per cent increase in visits by this target group when compared with 2009/10. Fusion have improved marketing and promotion for facilities, introduced offers to encourage visits and are widely promoting schemes, activities and offers (including our Bonus Concessionary offer for those less able to afford to participate).

To achieve an agreed position to tackle the lack of burial space - progress is behind its milestone target at present.

3.

Risk Performance - Exceptions

Policy, Culture and Communications

There are no red risks within this service area.

Environmental Development

There are no red risks within this service area.

Leisure, Parks and Communities

There are no red risks within this service area.

Direct Services

There is one red risk within Direct Services and relates to ICT. A new ICT Business Partner has recently been recruited to assist in identifying and addressing any issues that arise. We therefore expect this grading to change again next quarter.

Budget Monitoring as at 31st December 2013

- **Appendix E1:** December 2013 monitoring – General Fund Forecast Outturn
- **Appendix E2:** December 2013 monitoring – Capital Programme Forecast Outturn
- **Appendix E3:** December 2013 monitoring – Housing Revenue Account Forecast Outturn
- **Appendix E4:** December 2013 monitoring – General Fund year to date position

EXECUTIVE SUMMARY

1. This report sets out the Council's projected outturn position as at the 31st December 2013 and highlights major variances to the approved budget. In summary;
 - The General Fund Revenue account shows a favourable variation to the latest budget of £2.341 million.
 - The HRA is now reporting a £7.573 million favourable year-end position as at December.
 - The latest General Fund Capital outturn projection suggests a net £ (0.270) million favourable variance against the latest budget.
 - The HRA Capital Programme outturn projection suggests a net £ (2.191) million favourable variance against the latest budget.
 - The collection rate for Council Tax arrears is 98.12% as at the end of December 2013, slightly up on November's position of 98.03%.
 - The collection rate for Business Rates arrears is 98.46% as at the end of December 2013, slightly up on November's position of 98.40%.
 - The collection rate target for HB Overpayments is set at 82%. At December the actual collection rate for the year was 80.88%.
 - The payment of invoices within 30 days now stands at 92.24%. The target for the year is set at 98%.
 - HRA total arrears were £1.851 million as at the end of December.
2. As part of the monitoring process Finance staff have met and had budget monitoring discussions with Cost Centre Managers and Heads of Service to verify the current budgetary position. The following forecast variances have been identified and these are commented on and explained more fully within the body of the report.

GENERAL FUND OUTTURN

3. Appendix E1 sets out the General Fund revenue outturn position as at the end of December 2013, broken down by Service Area. Table 1 below details the summarised General Fund position and compares the December projected outturn position with that reported last month.

Table 1 General Fund Revenue

| GF Outturn Report 13/14 @ Q3 31st December, 2013 | Approved Budget (per Budget book) | Latest Budget | Expenditure | Income | Actual YTD | Budget YTD | % Budget Spent to 31st Dec, 2013 | Projected Outturn against Latest Budget @ 31st Dec, 2013 | Outturn Variance @ 31st Dec, 2013 | Reported Last Month | Mvt from Reported Last Month | Outturn Variance Q2 | Mvt from Q2 |
|---|-----------------------------------|----------------|----------------|------------------|----------------|---------------|----------------------------------|--|-----------------------------------|---------------------|------------------------------|---------------------|----------------|
| | £000's | £000's | £000's | £000's | £000's | £000's | % | £000's | £000's | £000's | £000's | £000's | £000's |
| Directorates | | | | | | | | | | | | | |
| City Regeneration | (283) | 380 | 9,522 | (11,259) | (1,737) | (1,563) | -457% | 199 | (181) | (90) | (91) | 2 | (183) |
| Community Services | 8,296 | 9,788 | 40,362 | (33,929) | 6,433 | 6,953 | 373% | 9,348 | (440) | (390) | (50) | (200) | (240) |
| Organisational Dev & Corp Services | 13,066 | 14,177 | 12,187 | (2,168) | 10,019 | 10,428 | 71% | 14,326 | 149 | 149 | | 149 | |
| Directorate Total Excl SLA's & Capital Charges | 21,079 | 24,345 | 62,071 | (47,357) | 14,714 | 15,818 | 60% | 23,873 | (472) | (331) | (141) | (49) | (423) |
| SLA's & Capital Charges | (1,182) | (891) | 2,862 | (17) | 2,845 | (646) | (319%) | (891) | | | | | |
| Corporate Accounts | 2,793 | 1,363 | 54,936 | (56,858) | (1,923) | 5,268 | 0 | 472 | (549) | (891) | 342 | (891) | 342 |
| Contingencies | 2,336 | 1,204 | | | | 602 | 0% | 1,204 | | | | | |
| Total Corporate Accounts & Contingencies | 5,130 | 2,567 | 54,936 | (56,858) | (1,923) | 5,869 | (75%) | 1,676 | (549) | (891) | 342 | (891) | 342 |
| Net Expenditure Budget | 25,027 | 26,021 | 119,868 | (104,232) | 15,636 | 21,042 | 60% | 24,658 | (1,021) | (1,222) | 201 | (940) | (81) |
| Transfer to / (from) Ear Marked Reserves | | (2,314) | (3,114) | | (3,114) | (1,157) | 135% | (2,314) | (1,320) | (1,322) | 2 | | (1,320) |
| Net Budget Requirement | 25,027 | 23,707 | 116,754 | (104,232) | 12,522 | 19,885 | 53% | 22,344 | (2,341) | (2,544) | 203 | (940) | (1,401) |
| Funding | | | | | | | | | | | | | |
| External Funding (RSG) | 8,219 | 8,219 | | 3,904 | 3,904 | 4,110 | 47% | 8,219 | | | | | |
| External Funding (NNDR Retention) | 5,661 | 5,661 | | 2,831 | 2,831 | 2,830 | 50% | 5,661 | | | | | |
| Council tax | 11,228 | 11,228 | | 5,614 | 5,614 | 5,614 | 50% | 11,228 | | | | | |
| Less Parish Precepts | (154) | (154) | | (188) | (188) | (77) | 122% | (154) | | | | | |
| Collection Fund Surplus | 73 | 73 | | 37 | 37 | 37 | 50% | 73 | | | | | |
| Total Funding Available | 25,027 | 25,027 | | (188) | 12,385 | 12,196 | 320% | 25,027 | | | | | |
| (Surplus) / Deficit for year | | (1,320) | 116,943 | (116,617) | 326 | 7,371 | (25%) | (2,683) | (2,341) | (2,544) | 203 | (940) | (1,401) |

- City Regeneration Directorate** - The Directorate is currently estimated to have a projected outturn position of £ 0.199 million. This is favourable against the latest budget position by £ (0.181) million.
- City Development - Building Control fees are expected to be below budget by £100k by year end. It is fair to say that the Building Control service has experienced a number of issues during the year both internally arising from staff turnover and externally via growing competition from the private sector. That said future income generation performance will continue to be monitored and reported in 2014/15. Additional income from Pre-Application Advice has slightly offset the Building Control position. There is a low to medium risk that defending the Planning decision to construct flats at Roger Dudman Way may incur legal fees above the budgeted position. This is not reflected in the forecast position.
- The GF Housing service, now called **Housing and Property**, incorporates the transferred Garages expenditure and income from the HRA, together with the Building Design and Construction team from the Regeneration and Major Project's service area. Part of the Council's 2013/14 efficiency savings was an intention to deliver £0.100 million from the combined transferred Building Design and Construction and Major Projects teams. Given the issues and timing associated with the transferred team it is now envisaged that the efficiency savings will now not be delivered. Hence an adverse variance of £0.100 million is being reported. That said this is expected to be offset by mitigating activities within Regeneration and Major Projects.
- Similar to the garages mentioned above, the commercial properties previously accounted for within the HRA have likewise been transferred to the GF following Members approval in September, to the **Regeneration and Major Projects** service area. A number of net beneficial projected outturn revisions to the original budgeted position have materialised during the year that are primarily being used to mitigate the non-achievement of the £0.100 million efficiency targets identified for the Design and Construction/Major Project teams within Housing and Property. The position reported in November was £ (0.240) million favourable but this has now moved to £ (0.344) million favourable due to further favourable rent reviews now projected for the year.

8. **Community Services Directorate** - The Directorate is currently estimated to have a projected outturn position of £9.348 million, which is £ (0.440) million favourable against the latest budget and is predicted to materialise from within Direct Services £ (0.400) million and Environmental Development (0.040) million. This is £ (0.050) million more favourable than that reported last month.

9. A breakdown of the **Direct Services** position is shown below;

Budget Pressures

| | | |
|--|---|-----------------------|
| NNDR uplifts on Direct Services buildings | - | £0.100m |
| Non-achievement of Horspath Rd Depot rental saving | - | £0.115m |
| Motor Transport under recovery | - | <u>£0.185m</u> |
| | | <u>£0.400m</u> |

Mitigating Action

| | | |
|---|---|-----------------------|
| Vacancies and Pensions underspend due to staff opting out of the scheme | - | £0.350m |
| Motor Transport Auction | - | £0.100m |
| Additional car park income | - | £0.100m |
| External work won by Streetscene Service | - | £0.100m |
| Additional engineering income | - | <u>£0.150m</u> |
| | | <u>£0.800m</u> |

10. Within **Environmental Development** further work has been carried out during December to provide a more up to date year-end projection. As numerous new structure posts remain vacant (especially within Business Development) the year-end projection seems to be indicating that a £ (0.040) million underspend will materialise by year-end even though recruitment to several vacant posts has nonetheless occurred in the past month.

11. **Policy, Culture and Communication and Leisure, Parks and Communities** continue to project a nil year-end outturn variance against their latest approved budget as at the end of December.

12. **Organisational Development and Corporate Services Directorate** - The Directorate is currently estimated to have a projected outturn position of £14.326 million, which continues to be adverse against the latest budget by £0.149 million and has arisen predominately from within Human Resources and Facilities. This is unchanged from that reported last month.

13. With regards to **Human Resources and Facilities** the issues creating the £0.159 million adverse year-end projection are detailed below:

| | | |
|-----------------------------------|---|---------------------|
| | | £m |
| Vending machine settlement | - | 0.030 |
| Review of Town Hall Café contract | - | 0.024 |
| Post Room Income | - | 0.070 |
| Corporate Training Underspend | - | (0.015) |
| Town Hall income shortfall | - | <u>0.050</u> |
| | | <u>0.159</u> |

14. **Business Improvement and Technology, Customer Services and Finance** are all predicting nil projected outturn variances for their service areas as at December.
15. **Law and Governance** are projecting a slight underspend of £ (0.010) million as at the half year stage from a number of different areas.

CORPORATE ACTIVITIES

16. The projected spend associated with the **Corporate Accounts** area of the GF is a net £1.676 million as at the end of December. The variance against the latest budget is £ (0.549) million and predominately arises from an improved investment position.

ACHIEVEMENT OF SAVINGS AND EFFICIENCIES

17. The Council's budget identifies £1.320 million of efficiencies, £0.183 million of service reductions and £1.692 million of additional income for 2013/14. As at the end of December £2.691 million had been achieved to date and it is anticipated that the remainder of savings and efficiencies/fees and charges planned for this year will be delivered, save for the following exceptions:

Efficiencies

18. Housing and Property - £0.100 million employee savings. However, increased income from the commercial property portfolio is anticipated to mitigate this position.
19. Regeneration and Major Projects - £0.030 million additional income from Gloucester Green market. This has likewise been mitigated by additional commercial income.
20. Direct Services - £0.115 million associated with Horsepath Road rental savings arising from delays associated with re-purchasing the site lease. However, mitigating activities have been identified as detailed above.

Fees and Charges

21. Policy, Culture and Communications - £0.013 million of additional income generated from poster board income. Likewise to above mitigating savings elsewhere in the service will be undertaken during the year.

Table 2 – Savings and Efficiencies as at 31st December 2013

| | Efficiencies | | | | Service Reductions | | | | Fees and Charges | | | | % |
|--|------------------|-------------------|------------|----------------------|--------------------|-------------------|----------|----------------------|------------------|-------------------|-----------|----------------------|-------------|
| | Approved Savings | Projected outturn | Variance | Savings made to date | Approved Savings | Projected outturn | Variance | Savings made to date | Approved Savings | Projected outturn | Variance | Savings made to date | |
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | £000's | |
| Policy, Culture & Communications | | | | | (19) | (19) | | (19) | (43) | (30) | 13 | (26) | 60% |
| Finance | (125) | (125) | | (94) | (60) | (60) | | (45) | | | | | 0% |
| Business Improvement & Technology | (51) | (51) | | (31) | | | | | | | | | 0% |
| Law & Governance | (45) | (45) | | (34) | | | | | (5) | (5) | | (4) | 75% |
| Human Resources & Facilities | (98) | (98) | | (74) | | | | | 85 | 85 | | 64 | 75% |
| Customer Services | (30) | (30) | | (23) | | | | | (13) | (13) | | (10) | 75% |
| Organisational Development and Corporate Services | (349) | (349) | 0 | (254) | (79) | (79) | 0 | (64) | 24 | 37 | 13 | 24 | 102% |
| Direct Services | (300) | (185) | 115 | (165) | | | | | (899) | (899) | | (787) | 88% |
| Leisure, Parks & Communities | (177) | (177) | | (129) | | | | | (34) | (34) | | (26) | 75% |
| Environmental Development | (115) | (115) | | (85) | (54) | (54) | | (54) | (7) | (7) | | (5) | 67% |
| Community Services | (592) | (477) | 115 | (409) | (54) | (54) | 0 | (54) | (940) | (940) | 0 | (817) | 87% |
| City Development | (33) | (33) | | (26) | (50) | (50) | | (38) | (140) | (140) | | (92) | 66% |
| Housing & Property | (313) | (213) | 100 | (160) | | | | | | | | | 0% |
| Regeneration & Major Projects | (33) | (3) | 30 | (67) | | | | | (636) | (636) | | (477) | 75% |
| City Regeneration | (379) | (249) | 130 | (253) | (50) | (50) | 0 | (38) | (776) | (776) | 0 | (569) | 73% |
| Mitigating Savings | | (245) | | (245) | | | | | | (13) | | (13) | |
| Total | (1,320) | (1,320) | 245 | (1,161) | (183) | (183) | 0 | (156) | (1,692) | (1,692) | 13 | (1,375) | 81% |

CONTINGENCIES, RESERVES AND BALANCES

22. Of the number of **Contingencies** budgeted by the Council for 2013/14 we have already adjusted this during the first 9 months of the financial year for the absorption of £0.957m Homelessness Preventative Grant within the NNDR Retention, the transfer of £0.150m earmarked for City Deal projects to City Development and a reduction of £0.800m from the risks and pressures contingency that were achieved in 2012/13. This still leaves a revised contingency position of £1.204m detailed as follows:

| | | |
|---|---|---------|
| i. Pensions provisions top up | - | £0.118m |
| ii. Provision for pressures, high risk etc. | - | £0.636m |
| iii. Homelessness | - | £0.400m |
| iv. Disabled Transport | - | £0.050m |

23. Other than approximately £0.4m associated with the 2013/14 Partnership Payment there are currently no plans to utilise the above during the remaining months of the financial year and consequently this will release a further c. £0.8m of budgeted resources to either carry forward into future years or re-direct to another Council priority.

HRA OUTTURN

24. The summarised HRA position as at 31st December 2013 is set out in Table 3 and detailed in the attached Appendix E3. The table below exemplifies the major movements commented on in the following paragraphs.

25. The HRA Latest Budget now reflects the budget adjustments arising from the non-dwelling asset transfers, revised 2013/14 HRA Business Plan financial assumptions and amended interest rate for internal borrowing as approved by Council on 30 September 2013. The projected outturn position incorporates some further revisions that have been identified since this meeting.

Table 3 – Housing Revenue Account HRA

| HRA Outturn Report 13/14 @ 31st December,2013 | Approved Budget (per Budget book) | Latest Budget | Actual YTD | Budget YTD | % Budget Spent @ 31st Dec,2013 | Projected Outturn @ 31st Dec,2013 | Outturn Variance @ 31st Dec,2013 | Reported Last Month | Mvt from Reported Last Month | Outturn Variance Q2 | Mvt from Q2 |
|--|--------------------------------------|-----------------|-----------------|-----------------|-----------------------------------|--------------------------------------|-------------------------------------|------------------------|---------------------------------|---------------------|----------------|
| | £000's | £000's | £000's | £000's | % | £000's | £000's | £000's | £000's | £000's | £000's |
| Dwelling Rent | (38,824) | (39,435) | (30,045) | (30,246) | 76% | (39,635) | (200) | 0 | (200) | 0 | (200) |
| Service Charges | (1,040) | (1,052) | (897) | (879) | 85% | (1,050) | 3 | (13) | 15 | 100 | (98) |
| Furniture/Other Rent | (2,333) | (897) | (771) | (673) | 86% | (930) | (33) | (172) | 139 | 0 | (33) |
| Major Project Team Fees | (621) | (321) | (180) | (241) | 56% | (321) | 0 | 0 | 0 | 0 | 0 |
| Net Income | (42,818) | (41,706) | (31,894) | (32,039) | 76% | (41,936) | (231) | (185) | (46) | 100 | (331) |
| General Management | 4,218 | 4,576 | 3,008 | 3,284 | 66% | 4,476 | (100) | 108 | (208) | 0 | (100) |
| Special Management | 2,515 | 2,390 | 1,600 | 1,793 | 67% | 2,373 | (17) | 35 | (52) | 0 | (17) |
| Other Management | 2,584 | 2,591 | 1,574 | 1,687 | 61% | 2,712 | 121 | 0 | 121 | 0 | 121 |
| Bad Debt Provision | 500 | 430 | 212 | 243 | 49% | 430 | 0 | 30 | (30) | (50) | 50 |
| Responsive & Cyclical Repairs | 9,991 | 9,975 | 6,752 | 6,858 | 68% | 9,853 | (122) | 10 | (132) | 0 | (122) |
| Interest Paid | 7,060 | 7,792 | 5,844 | 5,844 | 75% | 7,792 | 0 | 371 | (371) | 371 | (371) |
| Depreciation | 8,267 | 5,625 | 4,219 | 4,219 | 75% | 5,459 | (167) | 0 | (167) | 0 | (167) |
| Total Expenditure | 35,135 | 33,380 | 23,208 | 23,929 | 70% | 33,095 | (285) | 554 | (839) | 321 | (606) |
| Net Operating Expenditure/(Income) | (7,683) | (6,326) | (6,685) | (8,110) | 104% | (8,841) | (515) | 369 | (884) | 421 | (936) |
| Interest Received | (56) | (32) | (24) | (24) | 75% | (68) | (36) | 0 | (36) | 0 | (36) |
| Other HRA Reserve Adjustments | 37 | 33 | (135) | (122) | -407% | (376) | (409) | (4) | (405) | 0 | (409) |
| Revenue Contribution to Capital | 10,830 | 6,459 | 4,993 | 4,966 | 77% | 1,712 | (4,747) | (2,417) | (2,330) | 0 | (4,747) |
| Total Appropriations | 10,812 | 6,461 | 4,834 | 4,821 | 75% | 1,268 | (5,193) | (2,421) | (2,772) | 0 | (5,193) |
| Total HRA (Surplus)/Deficit | 3,130 | (1,865) | (3,851) | (3,289) | 207% | (7,573) | (5,708) | (2,052) | (3,656) | 421 | (6,129) |

Income

26. There appears to be an increase in the rental income figures for the year of £200k. This is believed to be as a result of moving new tenants straight to Formula Rent. This has an impact of raising the average rent for the stock. Right to Buys totalled 32 at the end of December 2013.
27. Increased income during the year of approximately £33k is anticipated from the Council's Furnished Tenancy scheme. The uplift of 2.1 associated with this scheme is being reduced in 2014/15 to 1.74, being the desire of the service area to bring this activity down to a more break-even position.

Expenditure

28. The **General Management** shows a favourable projected outturn positions as at December of £100k being the release of anticipated increase in Council Tax bills associated with void properties that have not materialised in 2013/14.
29. The **Responsive and Cyclical Repairs** budget is showing a favourable variance being the reduction in the year of £122k of External Groundworks. This facilitated a revised revenue contribution to capital amount within the Appropriations section of the HRA, to in effect fund an additional 18 Kitchen/Bathroom installations planned to take place before the year-end.

Appropriations

30. With a significant reduction in the Council's capital programme, together with increased RTB capital receipts a reduced revenue contribution to the revised 2013/14 HRA capital programme is now required. This accounts for the majority of the movement in the year that will result in the HRA having a year-end balance exceeding £11m. This will nonetheless be required to fund the considerable capital programme now planned for 2014/15.

CAPITAL PROGRAMME

General Fund and HRA Capital Programme

31. A capital budget position, approved for the General Fund and HRA Capital Programme for 2013/14 is shown in summary at Table 4 below. Appendix E2 attached shows the Capital Programme on a scheme by scheme basis.

Capital Programme

32. There has been a further reduction in several schemes detailed below:

- i. £0.043 million favourable within **Leisure, Parks and Communities** associated with CCTV work, which will now take place next financial year.
- ii. £0.269 million favourable variance associated with **Housing and Property** schemes namely, £0.050 million associated with the Rose Hill pavilion works which will now take place in 2014/15, an underspend of £0.030 million on Community Centres, £0.050 million of improvements to George Street commercial property and £0.140 million on the Town Hall improvements.
- iii. A net £1.825 million reduction in **HRA** schemes, mainly the HCA New Build and Energy Efficiency schemes offset by a £0.122 million overspend associated with additional kitchen/bathroom installations as reported earlier.

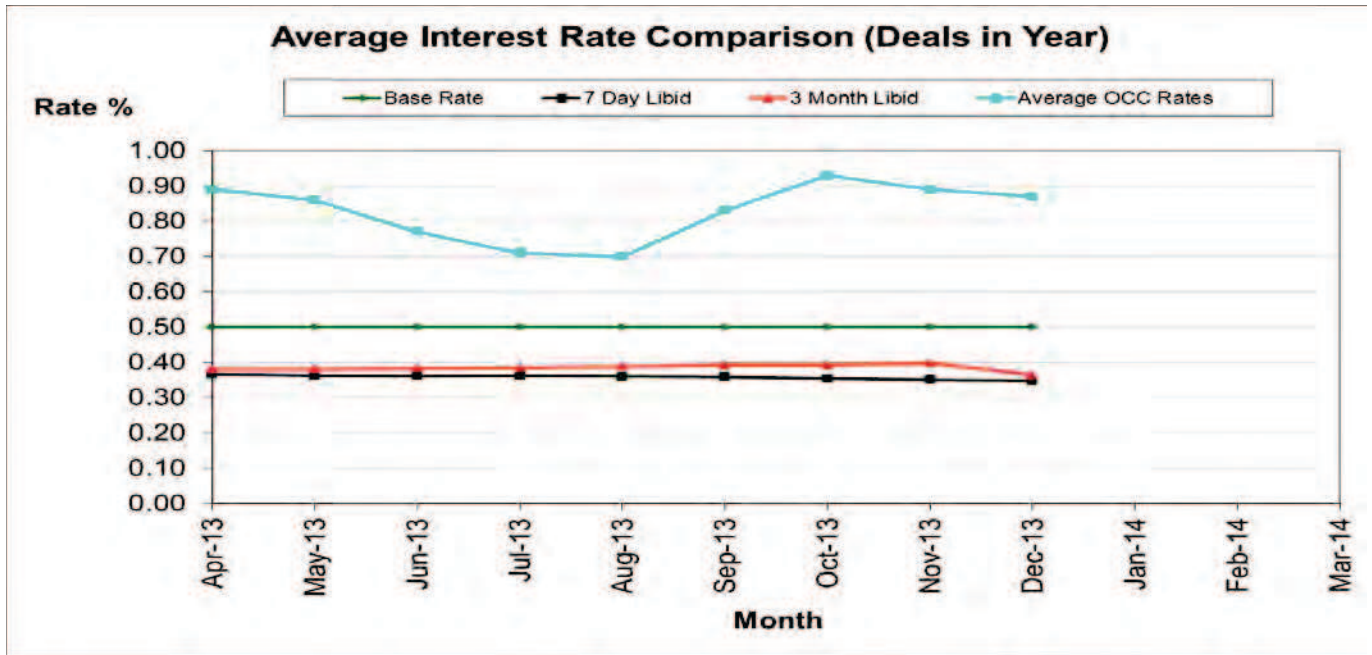
Table 4 – Capital Programme as at 31st December 2013

| Capital Budget and Spend as at 31st December 2013 | | | | | | | | | |
|--|-----------------------|-----------------------------|-------------------|-----------------------------|-------------------------------|---|-----------------------------------|----------------------------------|---|
| Capital Scheme | Latest Budget 2013/14 | Spend to 31st December 2013 | Profiled Budget | Variance to Profiled Budget | % Spend Against Latest Budget | Projected Outturn at 31st December 2013 | Outturn Variance to Latest Budget | Outturn Variance due to Slippage | Outturn variance due to Over/ Under spend |
| | £ | £ | £ | £ | | £ | £ | £ | £ |
| Policy Culture & Communications | 693,000 | 6,403 | 6,500 | (97) | 1% | 693,000 | 0 | 0 | 0 |
| City Development | 104,345 | 39,295 | 37,960 | 1,335 | 38% | 111,354 | 7,009 | 0 | 7,009 |
| Environmental Development (Including Community Safety) | 906,610 | 468,391 | 613,637 | (145,246) | 52% | 863,610 | (43,000) | (43,000) | 0 |
| Corporate Assets (Now Housing & Property) | 3,869,001 | 1,689,784 | 2,164,263 | (474,479) | 44% | 3,599,624 | (269,377) | (240,500) | (28,877) |
| Customer Services | 126,958 | 71,992 | 70,000 | 1,992 | 57% | 126,958 | 0 | 0 | 0 |
| Leisure, Parks & Communities | 4,899,327 | 1,812,484 | 2,677,647 | (865,164) | 37% | 4,929,327 | 30,000 | 0 | 30,000 |
| Direct Services | 3,480,824 | 1,574,176 | 1,927,152 | (352,976) | 47% | 3,485,879 | 5,055 | 0 | 5,055 |
| Business Improvement & Technology | 591,575 | 369,867 | 338,575 | 31,292 | 63% | 591,575 | 0 | 0 | 0 |
| GF Total | 14,671,640 | 6,032,392 | 7,835,734 | (1,803,342) | 3 | 14,401,327 | (270,313) | (283,500) | 13,187 |
| Housing Revenue Account | 14,705,538 | 6,704,705 | 6,825,285 | (120,579) | 46% | 12,514,308 | (2,191,230) | (2,113,000) | (78,230) |
| Grand Total | 29,377,178 | 12,737,097 | 14,661,019 | (1,923,922) | 43% | 26,915,635 | (2,461,543) | (2,396,500) | (65,043) |

PERFORMANCE INFORMATION

33. There are a number of additional key performance indicators that need to be assessed along with the financial performance information to provide an overall financial health check position for the authority as at the end of December 2013. These additional indicators are detailed as follows:

Investment Performance



34. The slightly reduced rate of return shown for December is primarily due to fluctuations in yields offered by the money market funds; Goldman Sachs MMF dropped 9 basis points overnight at the end of December but immediately recovered the following business day.

Creditor Payment Times

35. During December 2013 the percentage of creditor invoices paid on time was 83.08% compared to the target of 98%. This was primarily caused by P2P issues that will not continue in future months. This has nonetheless had an impact on the cumulative position for the year, which is now calculated as 92.24%.

36. This is disappointing especially when our target for the year is 98%.

Table 5 – Creditor Invoice Payment Performance by Service Area as at 31st December 2013

| BVPI008 - Invoices paid within 30 days | | | | | | | | | | |
|--|----------------|--------------|--------------|---------------|---------------|--------------------|----------------|------------------|--------------|---------------|
| for December 2013 | | | | | | | | | | |
| Service Area | Total Invoices | Undisputed | Over 30 Days | % Over | % Intime | YTD Total Invoices | YTD Undisputed | YTD Over 30 Days | YTD % Over | YTD % Intime |
| S32 Finance | 36 | 36 | 4 | 11.11% | 88.89% | 320 | 308 | 9 | 2.92% | 97.08% |
| S23 Direct Services | 510 | 508 | 34 | 6.69% | 93.31% | 4,703 | 4,631 | 189 | 4.08% | 95.92% |
| S02 Transformation | 7 | 7 | 0 | 0.00% | 100.00% | 49 | 46 | 2 | 4.35% | 95.65% |
| S14 Corporate Property | 101 | 93 | 12 | 12.90% | 87.10% | 1,133 | 1,014 | 49 | 4.83% | 95.17% |
| S34 Law & Governance | 14 | 14 | 3 | 21.43% | 78.57% | 307 | 298 | 22 | 7.38% | 92.62% |
| S13 Housing | 115 | 115 | 15 | 13.04% | 86.96% | 975 | 956 | 86 | 9.00% | 91.00% |
| S33 Human Resources & Facilities | 54 | 54 | 11 | 20.37% | 79.63% | 575 | 547 | 55 | 10.05% | 89.95% |
| S22 Leisure, Parks & Communities | 320 | 316 | 88 | 27.85% | 72.15% | 1,511 | 1,448 | 147 | 10.15% | 89.85% |
| S31 ICT | 3 | 3 | 1 | 33.33% | 66.67% | 12 | 9 | 1 | 11.11% | 88.89% |
| S24 Housing Revenue Account | 161 | 161 | 43 | 26.71% | 73.29% | 1,007 | 968 | 122 | 12.60% | 87.40% |
| S11 City Development | 24 | 24 | 6 | 25.00% | 75.00% | 240 | 228 | 31 | 13.60% | 86.40% |
| S01 Policy, Culture & Communications | 67 | 67 | 12 | 17.91% | 82.09% | 439 | 417 | 57 | 13.67% | 86.33% |
| S21 Customer Services | 16 | 16 | 3 | 18.75% | 81.25% | 219 | 206 | 29 | 14.08% | 85.92% |
| S12 Environmental Development | 80 | 75 | 16 | 21.33% | 78.67% | 580 | 557 | 89 | 15.98% | 84.02% |
| S03 Business Improvement | 36 | 36 | 10 | 27.78% | 72.22% | 174 | 147 | 26 | 17.69% | 82.31% |
| Total | 1,544 | 1,525 | 258 | 16.92% | 83.08% | 12,244 | 11,780 | 914 | 7.76% | 92.24% |

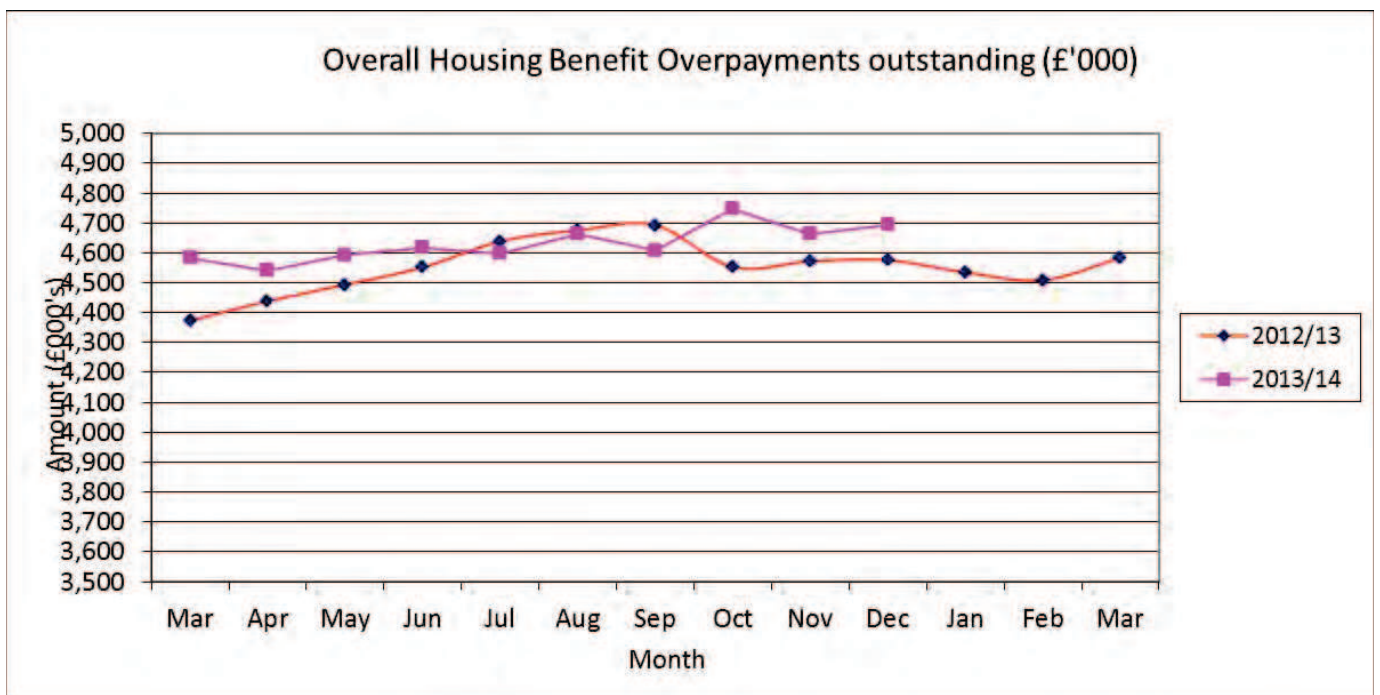
Aged Debtor Analysis

Table 6 – Aged Debtor Analysis as at 31st December 2013

| Dec 2013 | Sundry Debtors | % of Total | Periodic Income & Service Charges | % of Total | Garden Waste | Housing Benefit Overpayments | % of Total | City Works, Parks & OCH Debtors | % of Total | Grand Total | % of Total |
|--------------|------------------|-------------|-----------------------------------|-------------|---------------|------------------------------|-------------|---------------------------------|-------------|------------------|-------------|
| | £ | | £ | | £ | £ | | £ | | £ | |
| Not Due | 866,054 | 74% | 88,427 | 9% | 3,315 | 0 | 0% | 8,879 | 2% | 966,676 | 13% |
| 1-30 Days | 120,030 | 10% | 678,371 | 68% | 1,677 | 0 | 0% | 178,878 | 34% | 978,956 | 13% |
| 31-90 Days | 47,726 | 4% | 3,108 | 0% | 5,928 | 3,058 | 0% | 95,186 | 18% | 155,006 | 2% |
| 91-180 Days | 75,838 | 6% | 66,480 | 7% | 1,134 | 528,074 | 11% | 214,685 | 41% | 886,211 | 12% |
| < 1 Year | 20,940 | 2% | 39,932 | 4% | 585 | 616,712 | 13% | 2,502 | 0% | 680,671 | 9% |
| < 2 Years | 12,999 | 1% | 71,018 | 7% | 0 | 978,810 | 21% | (1,265) | 0% | 1,061,562 | 14% |
| < 3 Years | 9,018 | 1% | 22,611 | 2% | 0 | 697,644 | 15% | 4,308 | 1% | 733,581 | 10% |
| < 4 Years | 1,381 | 0% | 19,566 | 2% | 0 | 514,648 | 11% | 3,739 | 1% | 539,334 | 7% |
| < 5 Years | 1,576 | 0% | 3,662 | 0% | 0 | 359,280 | 8% | 75 | 0% | 364,594 | 5% |
| < 6 Years | 5,783 | 0% | (350) | 0% | 0 | 302,246 | 6% | 3,533 | 1% | 311,213 | 4% |
| Over 6 Year | 7,527 | 1% | 7,100 | 1% | 0 | 694,363 | 15% | 15,786 | 3% | 724,776 | 10% |
| Total | 1,168,875 | 100% | 999,927 | 100% | 12,639 | 4,694,835 | 100% | 526,305 | 100% | 7,402,580 | 100% |

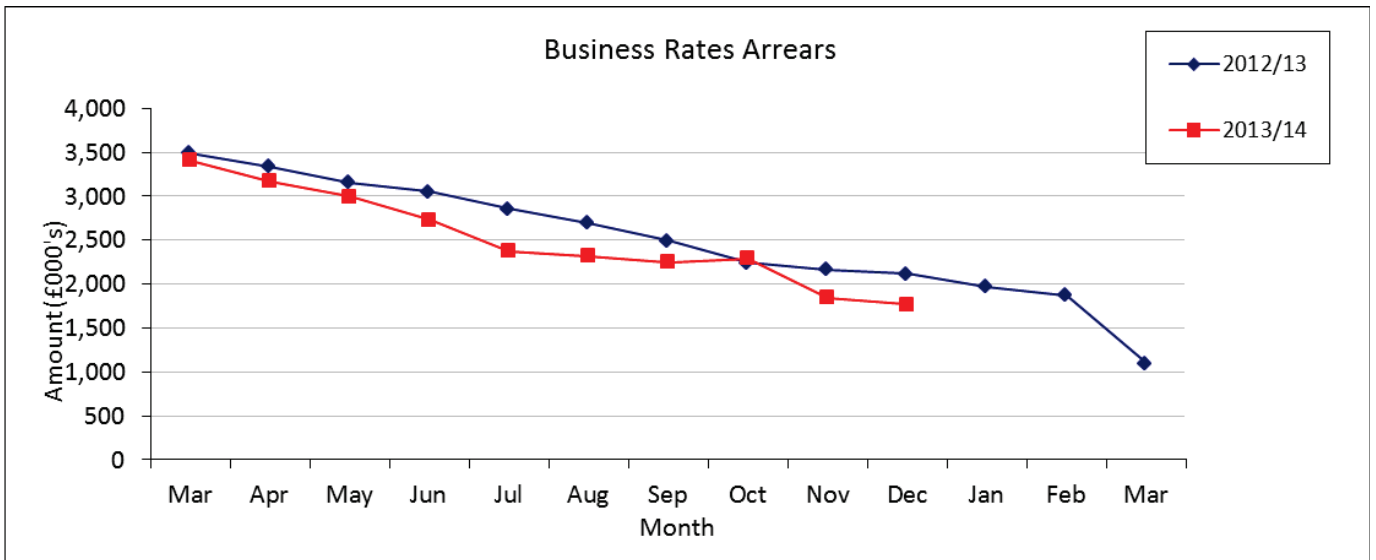
Housing Benefit Overpayments

37. Collection rate on the former BVPI 79b (i) worked out at 80.88% for December. New overpayments identified in the month totalled £200k and total overpayments recovered (either by deductions / offsets of Housing Benefit, or by actual payments being received), amounted to £162k. As at the end of December the year to date collection rate was 80.37%. This is down on the target of 82% but, compared with similar Local Authorities, we continue to perform well in this area.
38. As at the end of December total overpayments outstanding amounted to £4,695k. This figure is 2.6% up on the equivalent 12 months ago. It should be remembered however that we have pursued a considerable proportion of the debt as far as we can and that these sums will in due course be written off.

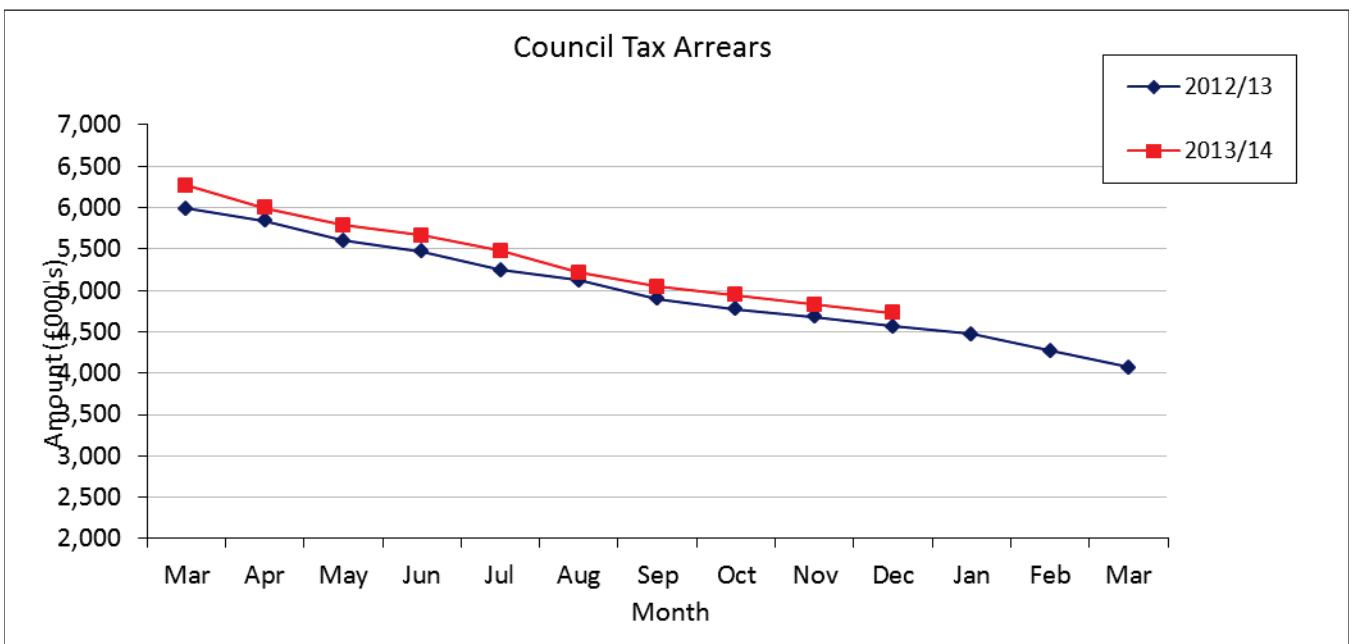


Business Rates

- 39. Arrears of non-domestic rates carried forward on April 1st 2013 were £3,409k - a figure that was some £81k (2.3%) down on the corresponding figure 12 months earlier.
- 40. During December 2013 the arrears decreased by £80k making the total outstanding at the end of the period £1,764k. This figure was 16.6% down on the equivalent 12 months ago. Payments received during the month were £77k but refunds totalling £41k were offset against that figure. The overall reduction was helped by retrospective debit adjustments (Rateable Value reductions, awards of discounts / exemptions etc.) amounting to £38k being processed during the month.
- 41. The collection rate last financial year, namely 97.04%, had moved to 98.46% at the end of December. The cumulative collection rate for 2013/14 was 88.44% at the end of the December. This was up on last year's equivalent of 87.88%. In monetary terms at the end of December we were £375k up on our profiled December 2013 collection target of 88%.



Council Tax Arrears Collection

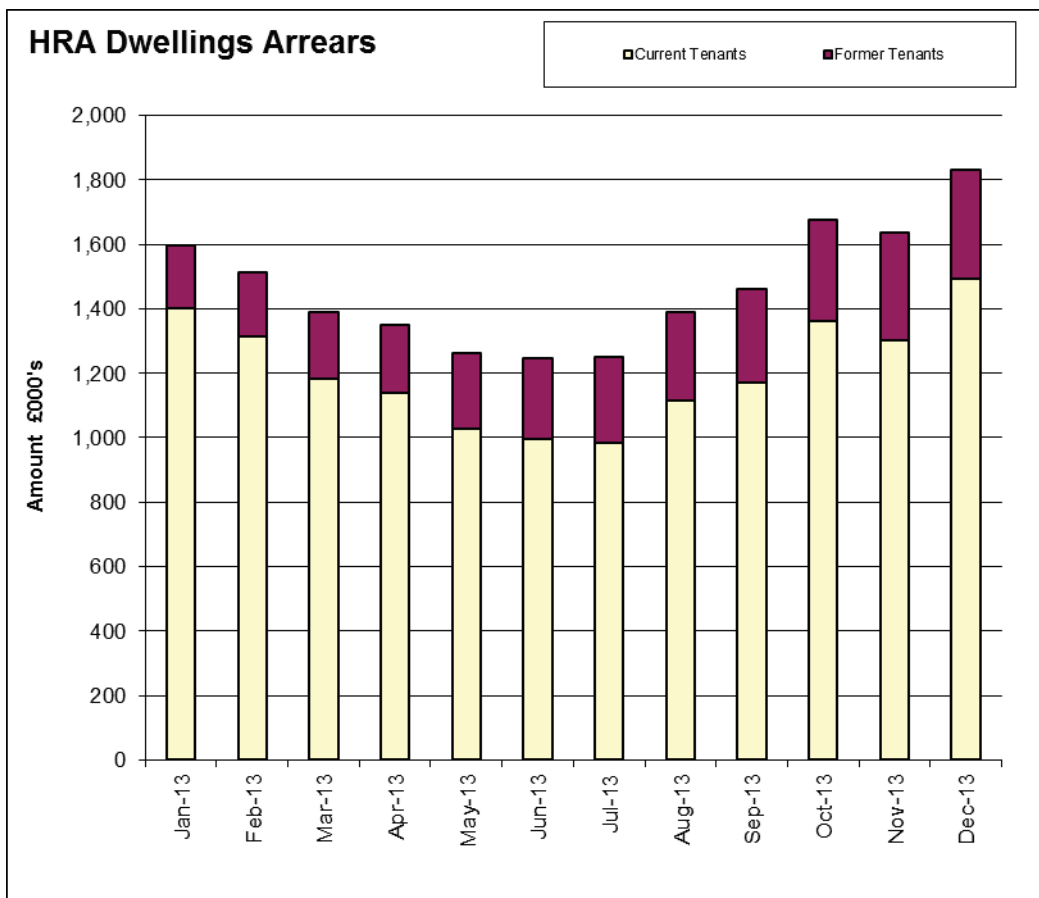


42. Arrears carried forward at the beginning of the current financial year were £6,269k, a 4.7% increase on the corresponding figure 12 months earlier. That total included outstanding Court Costs of £574k.
43. During December the arrears fell by £98k making our overall cumulative figure outstanding at the end of the month £4,731k. The main reason for this decrease was payments received totalling £78k. Offset however against that figure were refunds of £37k. Retrospective debit adjustments (Banding changes, awarding of discounts and exemptions etc.) totalling £58k were processed during the month.
44. The collection rate at the end of 2012/13, namely 97.01%, had increased to 98.12% for the end of December 2013.
45. The current year collection rate at the end of December was 84.30% which was 0.33% down on last year's equivalent of 84.63%. In cash collection terms we were £489k down on the profiled collection target of 85%.

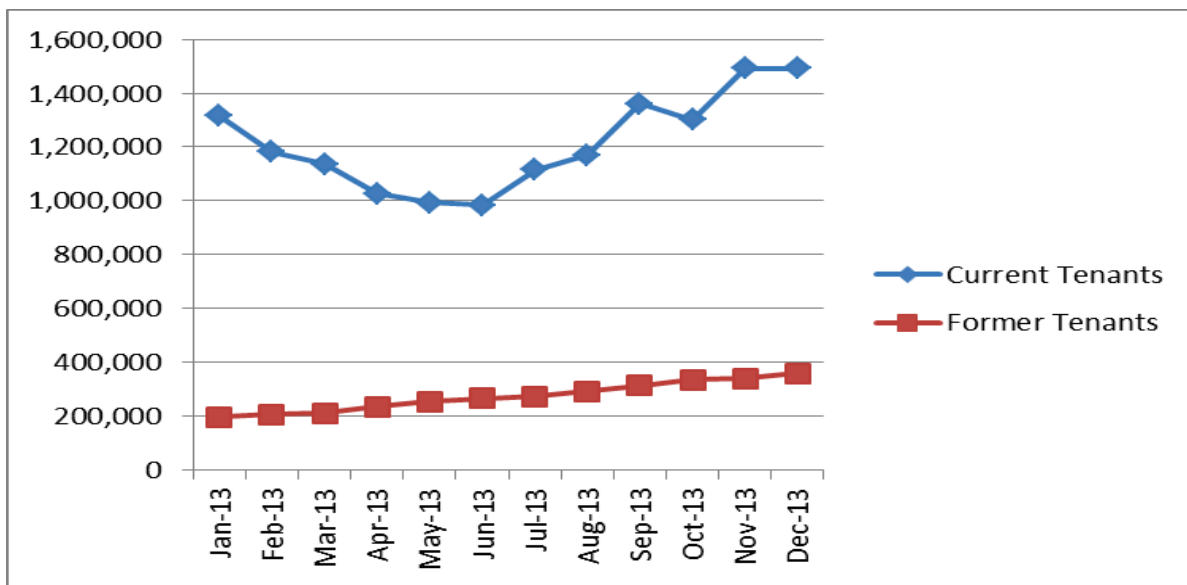
Housing Rent Arrears

46. Analysis of current and former tenant rent arrears is shown below for the 12 month period ending 31st December 2013.

Analysis 1 - HRA Rent Arrears Current Tenants and Former Tenants



Analysis 2 - HRA Rent Arrears Current Tenants and Former Tenants



47. Total arrears stands at £1.851 million, a decrease on last month's position of £0.228 million.

48. Former tenant arrears stood at £0.360 million as at the end of December 2013, which is £0.019 million higher than that reported for November. These are £0.166 million higher than 12 months ago.

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 Service Area / Department Finance and Efficiency
 Tel: 01865 272708 e-mail: nkennedy@oxford.gov.uk

| GF Outturn Report 13/14 @ Q3 31st December, 2013 | | | | | | | | | | | | | | |
|--|-----------------------------------|------------------------|---------------|-------------|-----------|------------|------------|----------------------------------|--|-----------------------------------|---------------------|------------------------------|---------------------|-------------|
| Directorates | Approved Budget (per Budget book) | Previous Months Budget | Latest Budget | Expenditure | Income | Actual YTD | Budget YTD | % Budget Spent to 31st Dec, 2013 | Projected Outturn against Latest Budget @ 31st Dec, 2013 | Outturn Variance @ 31st Dec, 2013 | Reported Last Month | Mvt from Reported Last Month | Outturn Variance Q2 | Mvt from Q2 |
| | £000's | £000's | £000's | £000's | £000's | £000's | £000's | % | £000's | £000's | £000's | £000's | £000's | £000's |
| City Development | 947 | 1,371 | 1,396 | 2,450 | (1,582) | 868 | 811 | 62% | 1,459 | 63 | 50 | 13 | 63 | |
| Housing & Property | 3,164 | 4,077 | 4,814 | 4,814 | (1,635) | 3,180 | 3,316 | 78% | 4,177 | 100 | 100 | 100 | (98) | (246) |
| Regeneration & Major Projects | (4,394) | (5,692) | (5,692) | 2,257 | (8,043) | (5,785) | (5,690) | 114% | (5,436) | (344) | (240) | (104) | (98) | (246) |
| City Regeneration | (283) | 355 | 380 | 9,522 | (11,259) | (1,737) | (1,563) | -457% | 199 | (88) | (90) | (61) | 2 | (183) |
| Policy, Culture & Communication | 1,399 | 1,432 | 1,432 | 1,362 | (93) | 1,169 | 1,164 | 82% | 1,432 | (40) | (40) | (40) | (40) | (40) |
| Environmental Development | 2,318 | 2,820 | 2,820 | 3,613 | (1,620) | 1,993 | 1,999 | 71% | 2,780 | (40) | (40) | (40) | (40) | (40) |
| Leisure, Parks & Communities | 3,641 | 6,450 | 6,452 | 6,376 | (17,380) | 4,638 | 4,692 | 72% | 6,452 | (400) | (350) | (50) | (200) | (200) |
| Direct Services | (1,546) | (917) | (917) | 28,811 | (30,178) | (1,367) | (902) | 149% | (1,317) | (400) | (350) | (50) | (200) | (200) |
| Community Development Team | 2,483 | | | | | | | 0% | | | | | | |
| Community Services | 8,296 | 9,786 | 9,786 | 40,562 | (33,929) | 6,833 | 6,953 | 373% | 9,348 | (440) | (390) | (50) | (200) | (240) |
| Transformation Fund | | 943 | 823 | 389 | (47) | 2,653 | 2,645 | 47% | 823 | | | | | |
| Business Improvement & Technology | 4,148 | 3,947 | 3,947 | 2,700 | (47) | 2,653 | 2,645 | 67% | 3,947 | | | | | |
| Customer Services | 2,864 | 3,125 | 3,125 | 3,530 | (997) | 2,533 | 2,822 | 81% | 3,125 | | | | | |
| Finance | 2,027 | 2,100 | 2,100 | 1,649 | (150) | 1,499 | 1,522 | 71% | 2,100 | | | | | |
| Human Resources & Facilities | 1,487 | 1,594 | 1,594 | 1,814 | (680) | 1,134 | 1,197 | 71% | 1,753 | 159 | 159 | 159 | 159 | 159 |
| Law & Governance | 2,539 | 2,587 | 2,587 | 2,105 | (294) | 1,811 | 1,838 | 70% | 2,577 | (10) | (10) | (10) | (10) | (10) |
| Organisational Dev & Corp Services | 13,066 | 14,297 | 14,177 | 12,187 | (21,68) | 10,019 | 10,428 | 71% | 14,326 | 149 | 149 | 149 | 149 | 149 |
| Directorate Total Excl SIA's & Capital Charges | 21,079 | 24,438 | 24,345 | 62,071 | (47,397) | 14,734 | 15,818 | 60% | 25,873 | (472) | (381) | (44) | (48) | (423) |
| SIA's & Capital Charges | (1,182) | (891) | (891) | 2,862 | (37) | 2,845 | (646) | (319%) | (891) | | | | | |
| Corporate Accounts | 200 | 200 | 200 | 48,913 | (49,773) | (860) | 150 | (430%) | 200 | | (342) | | (342) | 342 |
| Local Costs of Benefits | 3,483 | 3,483 | 3,483 | 687 | (5,566) | (5,566) | 2,612 | 20% | 3,483 | | (371) | | (371) | |
| Corporate & Democratic Core | (6,789) | (7,421) | (7,421) | 417 | (637) | (637) | 209 | 0% | 417 | | | | | |
| Item 8 interest receivable | (434) | (637) | (542) | (467) | (350) | (350) | (316) | 0% | (542) | | | | | |
| MRP - Asset Transfer | (467) | (467) | (467) | 5,335 | (1,169) | (1,169) | 3,557 | 75% | (663) | (196) | (196) | 18 | (196) | 18 |
| Transfer to Capital Reserve | 7,114 | 7,114 | 7,114 | | | | | 69% | (1,685) | | | | | |
| Investment Income | 75 | 75 | 75 | | | | 38 | 0% | 75 | | | | | |
| Interest Payable | 125 | 125 | 125 | | | | 63 | 0% | 125 | | | | | |
| New Homes Bonus | 957 | 150 | 24 | | | | 12 | 0% | 24 | | | | | |
| CRC Allowances | 41 | 41 | 41 | | | | 20 | 0% | 41 | | | | | |
| Inflation on Utilities | 168 | 118 | 118 | | | | 59 | 0% | 118 | | | | | |
| Homeliness Expenditure | 1,468 | 636 | 636 | | | | 318 | 0% | 636 | | | | | |
| Promotion or Economic growth (City Deal) | 400 | 400 | 400 | | | | 200 | 0% | 400 | | | | | |
| Payment to Parish Councils (Precepts) | 250 | 50 | 50 | | | | 25 | 0% | 50 | | | | | |
| Revenue implications of Capital Bids | 5,130 | 2,472 | 2,567 | 54,936 | (56,886) | (1,923) | 5,869 | -116% | 2,018 | (949) | (891) | 342 | (891) | 342 |
| Contingencies | 25,027 | 26,019 | 26,021 | 119,868 | (104,232) | 15,636 | 21,042 | -375% | 25,000 | (1,021) | (1,222) | 201 | (940) | (81) |
| Pensions provision top-up | | (2,315) | (2,314) | (3,114) | | (3,114) | (1,157) | 135% | (3,634) | (1,320) | (1,323) | 3 | (1,320) | (1,320) |
| Provision for Pressures, recessions & high risks | | | | | | | | | | | | | | |
| Homeliness Contingency | | | | | | | | | | | | | | |
| Redundancy costs contingency | | | | | | | | | | | | | | |
| Disabled Transport Contingency | | | | | | | | | | | | | | |
| Total Corporate Accounts & Contingencies | 25,027 | 23,704 | 23,707 | 116,794 | (104,232) | 12,522 | 19,885 | -240% | 21,366 | (2,341) | (2,545) | 204 | (940) | (1,401) |
| Net Expenditure Budget | 25,027 | 26,019 | 26,021 | 119,868 | (104,232) | 15,636 | 21,042 | -375% | 25,000 | (1,021) | (1,222) | 201 | (940) | (81) |
| Transfer to / (from) Ear Marked Reserves | | | | | | | | | | | | | | |
| Net Budget Requirement | 25,027 | 23,704 | 23,707 | 116,794 | (104,232) | 12,522 | 19,885 | -240% | 21,366 | (2,341) | (2,545) | 204 | (940) | (1,401) |
| Funding | 8,219 | 8,219 | 8,219 | | 3,904 | 3,904 | 4,110 | 47% | 8,219 | | | | | |
| External Funding (RSG) | 5,661 | 5,661 | 5,661 | | 2,831 | 2,831 | 2,830 | 50% | 5,661 | | | | | |
| External Funding (NNDR Retention) | 11,228 | 11,228 | 11,228 | | 5,614 | 5,614 | 5,614 | 50% | 11,228 | | | | | |
| Council tax | (15,44) | (15,44) | (15,44) | (188) | | (188) | | 122% | (15,44) | (77) | (77) | | | |
| Less Parish Precepts | 73 | 73 | 73 | | 37 | 37 | 37 | 50% | 73 | | | | | |
| Collection Fund Surplus | 25,027 | 25,027 | 25,027 | (188) | 12,385 | 12,196 | 12,513 | 320% | 25,027 | | | | | |
| Total Funding Available | | | | | (116,617) | 326 | 7,371 | (25%) | (3,661) | (2,341) | (2,545) | 204 | (940) | (1,401) |
| (Surplus) / Deficit for year | | | | | | | | | | | | | | |

| Capital Budget and Spend as at 31st December 2013 | | | | | | | | | |
|--|-----------------------|-----------------------------|------------------|------------------------------|-------------------------------|---|-----------------------------------|----------------------------------|--|
| Capital Scheme | Latest Budget 2013/14 | Spend to 31st December 2013 | Profilled Budget | Variance to Profilled Budget | % Spend Against Latest Budget | Projected Outturn at 31st December 2013 | Outturn Variance to Latest Budget | Outturn Variance due to Slippage | Outturn variance due to Over/Under spend |
| | £ | £ | £ | £ | | £ | £ | £ | £ |
| B0075 Stage 2 Museum of Oxford Development | 393,000 | 6,403 | 6,500 | (97) | 2% | 393,000 | 0 | | |
| G6013 Superconnected Cities | 300,000 | 0 | 0 | 0 | 0% | 300,000 | 0 | | |
| Policy Culture & Communications | 693,000 | 6,403 | 6,500 | (97) | 1% | 693,000 | 0 | 0 | 0 |
| F1323 Bridge Over Fiddlers Stream | 10,500 | 10,373 | 10,500 | (127) | 99% | 10,500 | 0 | | |
| F6013 Bullingdon Community Centre -Enhancement of Community Facilities | 1,537 | 0 | 0 | 0 | 0% | 1,537 | 0 | | |
| F7008 Landscaping Work at Lamarish Road | 14,460 | 770 | 460 | 310 | 5% | 14,460 | 0 | | |
| F0015 Cycle Oxford | 71,000 | 27,153 | 26,000 | 1,153 | 38% | 71,000 | 0 | | |
| F7006 Work of Art - Littlemore | 1,560 | 0 | 0 | 0 | 0% | 1,560 | 0 | | |
| F7007 Woodfarm / Headington Community Centre - Improvements | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| F7009 CCTV Gipsy Lane Campus | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| F7010 Work of Art Said Business School | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| F7011 Headington Environmental Improvements | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| F7008 Rose Hill Recreation Ground Improvements | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| F7009 Herschel Crescent Ground Improvements | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| F7019 Work of Art Rose Hill | 5,288 | 1,000 | 1,000 | 0 | 19% | 7,009 | 7,009 | | 7,009 |
| F7020 Work of Art Shotover View | - | 0 | 0 | 0 | 0% | 5,288 | 0 | | |
| M6014 West End Partnership | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| City Development | 104,345 | 39,295 | 37,960 | 1,335 | 38% | 111,354 | 7,009 | 0 | 7,009 |
| E3511 Renovation Grants | 47,020 | 6,942 | 31,665 | (24,723) | 15% | 47,020 | 0 | | |
| E3521 Disabled Facilities Grants | 816,590 | 461,449 | 581,972 | (120,523) | 57% | 816,590 | 0 | | |
| E3553 Carbon Reduction | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| G6014 CCTV Project | 25,000 | 0 | 0 | 0 | 0% | 0 | (25,000) | (25,000) | |
| G6015 CCTV Rosehill Parade | 18,000 | 0 | 0 | 0 | 0% | 0 | (18,000) | (18,000) | |
| Environmental Development (Including Community Safety) | 906,610 | 468,391 | 613,637 | (145,246) | 52% | 863,610 | (43,000) | (43,000) | 0 |
| Leisure Centres | | | | | | | | | |
| A4808 Blackbird Leys LC Improvements | - | 0 | 0 | 0 | 0% | 0 | 0 | | |

| Capital Budget and Spend as at 31st December 2013 | | | | | | | | | | |
|---|-----------------------|-----------------------------|-----------------|-----------------------------|-------------------------------|---|-----------------------------------|----------------------------------|--|--|
| Capital Scheme | Latest Budget 2013/14 | Spend to 31st December 2013 | Profiled Budget | Variance to Profiled Budget | % Spend Against Latest Budget | Projected Outturn at 31st December 2013 | Outturn Variance to Latest Budget | Outturn Variance due to Slippage | Outturn variance due to Over/Under spend | |
| | £ | £ | £ | £ | | £ | £ | £ | £ | |
| A4814 Leisure Centre substantive repairs | 370,900 | 58,918 | 231,813 | (172,895) | 16% | 370,900 | 0 | | | |
| Offices for the Future | | | | | | | | | | |
| Q2000 Offices for the Future | 211,122 | 212,245 | 211,122 | 1,123 | 101% | 212,245 | 1,123 | | 1,123 | |
| Community Centres | | | | | | | | | | |
| B0033 Community Centres | 167,170 | 37,959 | 117,170 | (79,211) | 23% | 137,170 | (30,000) | | (30,000) | |
| B0034 Rose Hill Community Centre | 250,000 | 98,169 | 177,571 | (79,402) | 39% | 200,000 | (50,000) | | | |
| Covered Market | | | | | | | | | | |
| B0010 Covered Market signage improvements | 32,433 | 32,433 | 32,433 | (0) | 100% | 32,433 | 0 | | 0 | |
| B0040 Covered Market - Improvements & Upgrade to Roof | 56,900 | 2,735 | 3,000 | (265) | 5% | 56,900 | 0 | | | |
| B0028 Covered Market - New Roof Structures to High St Entrances | 13,200 | 9,957 | 10,200 | (243) | 75% | 13,200 | 0 | 0 | | |
| B0036 Investment ~ Covered Market | 188,540 | 59,640 | 102,725 | (43,085) | 32% | 188,540 | 0 | | 0 | |
| B0063 Covered Market Replacement Sprinkler System | 125,200 | 90,951 | 125,000 | (34,049) | 73% | 118,200 | (7,000) | | (7,000) | |
| B0064 Covered Market - Improvements to Emergency Lighting | - | 7,003 | 0 | 7,003 | 0% | 7,000 | 7,000 | | 7,000 | |
| Investment Properties | | | | | | | | | | |
| B0003 Roof Repairs & Ext Refurbishment 44-46 George St | - | 0 | 0 | 0 | 0% | 0 | 0 | 0 | | |
| B0040 Investment ~ Broad Street | 90,000 | 21,892 | 24,000 | (2,108) | 24% | 90,000 | 0 | | | |
| B0041 Investment - Misc City Centre Properties | 8,631 | 2,997 | 3,000 | (3) | 35% | 8,631 | 0 | | | |
| B0044 Investment - Outer City | 19,513 | 9,526 | 14,513 | (4,987) | 49% | 19,513 | 0 | | | |
| B0045 Investment ~ St. Michael's Street | 29,897 | 19,929 | 29,897 | (9,968) | 67% | 29,897 | 0 | | | |
| B0046 Investment - Ship Street | 10,000 | 3,929 | 4,000 | (71) | 39% | 10,000 | 0 | | | |
| B0043 Investment George Street | 50,500 | 0 | 0 | 0 | 0% | 0 | (50,500) | (50,500) | | |
| B0072 23-25 Broad Street | 50,000 | 24,071 | 25,000 | (929) | 48% | 50,000 | 0 | | | |

| Capital Budget and Spend as at 31st December 2013 | | | | | | | | | |
|--|--------------------------|--------------------------------|------------------|---------------------------------|----------------------------------|---|--------------------------------------|-------------------------------------|---|
| Capital Scheme | Latest Budget 2013/14 | Spend to 31st December 2013 | Profilled Budget | Variance to Profilled Budget | % Spend Against Latest Budget | Projected Outturn at 31st December 2013 | Outturn Variance to Latest Budget | Outturn Variance due to Slippage | Outturn variance due to Over/ Under spend |
| | £ | £ | £ | £ | | £ | £ | £ | £ |
| B0082 Garages | 117,000 | 84,236 | 78,000 | 6,236 | 72% | 117,000 | 0 | | |
| N6019 Homelessness Property Acquisitions | - | 0 | | | | 0 | 0 | | |
| Corporate Assets (Now Housing & Property) | 3,869,001 | 1,689,784 | 2,164,263 | (474,479) | 44% | 3,599,624 | (269,377) | (240,500) | (28,877) |
| C3041 New server for telephone system | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| C3042 Customer First Programme | 126,958 | 71,992 | 70,000 | 1,992 | 57% | 126,958 | 0 | | |
| Customer Services | 126,958 | 71,992 | 70,000 | 1,992 | 57% | 126,958 | 0 | 0 | 0 |
| A1300 Playground Refurbishment | 72,587 | 60,139 | 54,438 | 5,701 | 83% | 72,587 | 0 | | |
| A1301 Play Barton | 20,000 | 0 | 0 | 0 | 0% | 20,000 | 0 | | |
| A4810 New Build Completion Pool | 2,497,000 | 987,844 | 1,500,298 | (512,454) | 40% | 2,497,000 | 0 | 0 | |
| G1013 Dawson Street Gardens | 19,000 | 0 | 0 | 0 | 0% | 19,000 | 0 | | |
| G3013 Diamond Place car park footpath extension | 6,324 | 0 | 0 | 0 | 0% | 6,324 | 0 | | |
| G3014 East Oxford Community Association Improvements | 4,880 | 4,880 | 4,880 | 0 | 100% | 4,880 | 0 | | |
| G4006 Florence Park Community Centre Kitchen | 1,411 | 0 | 0 | 0 | 0% | 1,411 | 0 | | |
| G3015 NE Marston Croft Road Recreation Ground | 19,300 | 0 | 0 | 0 | 0% | 19,300 | 0 | | |
| A4815 Leisure Centre Improvement Work | - | 217 | 0 | 217 | 0% | 0 | 0 | 0 | |
| A4830 Develop new burial space | 100,000 | 0 | 0 | 0 | 0% | 100,000 | 0 | | |
| A4818 Lye Valley & Chiswell Valley Walkways | 124,000 | 60,000 | 60,000 | 0 | 48% | 124,000 | 0 | | |
| A4816 Sports Pavilions | 1,181,800 | 136,730 | 467,800 | (331,070) | 12% | 1,211,800 | 30,000 | | 30,000 |
| B0051 Leisure - Pavilions | 460,300 | 429,785 | 417,881 | 11,903 | 93% | 460,300 | 0 | | |

| Capital Budget and Spend as at 31st December 2013 | | | | | | | | | |
|---|-----------------------|-----------------------------|------------------|-----------------------------|-------------------------------|---|-----------------------------------|----------------------------------|--|
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| | £ | £ | £ | £ | | £ | £ | £ | £ |
| A4820 Upgrade Existing Tennis Courts | 48,060 | 30,891 | 48,060 | (17,169) | 64% | 48,060 | 0 | | |
| A4821 Upgrade Existing Multi-Use Games Area | 83,170 | 84,493 | 83,170 | 1,323 | 102% | 83,170 | 0 | | |
| A4824 Meadow lane Skate Park | 1,120 | 1,120 | 1,120 | 0 | 0% | 1,120 | 0 | | |
| A3129 Domington Recreation Ground Improvements | 44,375 | 0 | 0 | (44,375) | 0% | 44,375 | 0 | | |
| A4826 Parks Works | 100,000 | 16,385 | 40,000 | (23,615) | 16% | 100,000 | 0 | | |
| A4827 Cowley Outdoor Gym | 70,000 | 0 | 0 | 0 | 0% | 70,000 | 0 | | |
| A4828 Valentia Road Playground | 10,000 | 0 | 0 | 0 | 0% | 10,000 | 0 | | |
| A4829 Oxford Spires Academy | - | 0 | 0 | 0 | 0% | 0 | 0 | | |
| A4831 Three Artificial Turf Cricket Wickets | 36,000 | 0 | 0 | 0 | 0% | 36,000 | 0 | | |
| Leisure, Parks & Communities | 4,899,327 | 1,812,484 | 2,677,647 | (865,164) | 37% | 4,929,327 | 30,000 | 0 | 30,000 |
| F001 Pay & Display Parking in the Car Parks | 84,000 | 0 | 0 | 0 | 0% | 84,000 | 0 | | |
| F0012 P & R Purchase of Capital Items - Peartree, Redbridge | 135,000 | 1,503 | 0 | 1,503 | 1% | 135,000 | 0 | | |
| F0014 Purchase of ANPR for use in car park enforcement | 40,300 | 40,300 | 40,300 | 0 | 100% | 40,300 | 0 | | |
| R0005 MT Vehicles/Plant Replacement Programme. | 2,741,579 | 1,364,347 | 1,706,907 | (342,560) | 50% | 2,741,579 | 0 | | |
| T2269 Toilet improvements | 139,945 | 144,043 | 139,945 | 4,098 | 103% | 145,000 | 5,055 | | 5,055 |
| T2270 Bin stores for council flats to assist recycling | 80,000 | 23,752 | 0 | 0 | 30% | 80,000 | 0 | | |
| T2273 Car Parks Resurfacing | 100,000 | 231 | 40,000 | (16,248) | 0% | 100,000 | 0 | | |
| T2274 Gloucester Green Car Park Waterproofing | 160,000 | 0 | 0 | 231 | 0% | 160,000 | 0 | | |
| T2275 MOT Service Bay Extension | | 0 | 0 | 0 | 0% | 160,000 | 0 | | |
| Direct Services | 3,480,824 | 1,574,176 | 1,927,152 | (352,976) | 47% | 3,485,879 | 5,055 | 0 | 5,055 |
| C3039 ICT Infrastructure | 212,522 | 191,412 | 162,522 | 28,890 | 90% | 212,522 | 0 | | 0 |
| C3044 Software Licences | 176,053 | 178,455 | 176,053 | 2,402 | 101% | 176,053 | 0 | | 0 |
| C3045 Mobile Working | 98,000 | 0 | 0 | 0 | 0% | 98,000 | 0 | | 0 |
| C3046 System Integration Capability | 25,000 | 0 | 0 | 0 | 0% | 25,000 | 0 | | 0 |
| C3047 Oracle 11g Upgrade | 25,000 | 0 | 0 | 0 | 0% | 25,000 | 0 | | 0 |

| Capital Budget and Spend as at 31st December 2013 | | | | | | | | | |
|---|-----------------------|-----------------------------|------------------|------------------------------|-------------------------------|---|-----------------------------------|----------------------------------|--|
| Capital Scheme | Latest Budget 2013/14 | Spend to 31st December 2013 | Profilled Budget | Variance to Profilled Budget | % Spend Against Latest Budget | Projected Outturn at 31st December 2013 | Outturn Variance to Latest Budget | Outturn Variance due to Slippage | Outturn variance due to Over/Under spend |
| | £ | £ | £ | £ | | £ | £ | £ | £ |
| C3048 Server 2008 Upgrade for Idox | 25,000 | 0 | 0 | 0 | 0% | 25,000 | 0 | | |
| C3049 Source Code Management | 15,000 | 0 | 0 | 0 | 0% | 15,000 | 0 | | |
| C3050 Tree Management Software | 15,000 | 0 | 0 | 0 | 0% | 15,000 | 0 | | |
| Business Improvement & Technology | 591,575 | 369,867 | 338,575 | 31,292 | 63% | 591,575 | 0 | 0 | 0 |
| GF Total | 14,671,640 | 6,032,392 | 7,835,734 | (1,803,342) | 3 | 14,401,327 | (270,313) | (283,500) | 13,187 |
| External Contracts | | | | | | | | | |
| N6384 Tower Blocks | 640,000 | 308,464 | 310,000 | (1,536) | 48% | 640,000 | 0 | | |
| N6387 Controlled Entry | 210,000 | 38,246 | 82,000 | (43,754) | 18% | 210,000 | 0 | | |
| N6393 External Doors | 200,000 | 142,519 | 140,000 | 2,519 | 71% | 200,000 | 0 | | |
| N7020 Extensions & Major Adaptions | 100,000 | 86,666 | 87,000 | (334) | 87% | 100,000 | 0 | | |
| N7018 Minox | 2,500 | 2,326 | 2,500 | (174) | 0% | 2,500 | 0 | | |
| N6394 Windows | 250,000 | 160,572 | 159,000 | 1,572 | 64% | 250,000 | 0 | | |
| N6389 Damp-proof works (K&B) | 80,000 | 67,567 | 60,000 | 7,567 | 84% | 80,000 | 0 | | |
| N6392 Roofing | 150,000 | 156,977 | 134,000 | 22,977 | 105% | 150,000 | 0 | | |
| N6386 Structural | 80,000 | 67,735 | 59,800 | 7,935 | 85% | 80,000 | 0 | | |
| N6427 Shops | | | | | | | | | |
| N7028 Non Dwelling HRA Assets | - | | 0 | 0 | 0% | 0 | 0 | | |
| N7026 Communal Areas | 150,000 | 19,288 | 20,000 | (712) | 13% | 150,000 | 0 | | |
| N7027 Environmental Improvements | 166,000 | 29,926 | 39,000 | (9,074) | 18% | 106,000 | (60,000) | (60,000) | |
| New Build | | | | | | | | | |
| N7029 HCA New Build | 4,603,000 | 1,235,672 | 1,240,000 | (4,328) | 26.8% | 2,800,000 | (1,803,000) | (1,803,000) | |
| N7031 Homes at Barton | 50,000 | 10,986 | 17,500 | (6,515) | 22% | 50,000 | 0 | | |
| N7011 Cardinal House Refurbishment | - | | 0 | | | 0 | | | |
| N7033 Energy Efficiency Initiatives | 250,000 | 0 | 0 | | | 0 | (250,000) | (250,000) | |
| N7032 Estate Enhancements and Regeneration | 500,000 | 245,870 | 240,000 | 5,870 | 49% | 500,000 | | | |
| N7030 Horspath Road Depot | 1,500,000 | 0 | 0 | 0 | 0% | 1,500,000 | 0 | | |
| Internal Contracts | | | | | | | | | |
| N6385 Adaptations for disabled | 652,500 | 539,032 | 419,753 | 119,279 | 83% | 652,500 | 0 | | |

| Capital Budget and Spend as at 31st December 2013 | | | | | | | | | |
|---|--------------------------|--------------------------------|-------------------|---------------------------------|----------------------------------|---|--------------------------------------|-------------------------------------|---|
| Capital Scheme | Latest Budget 2013/14 | Spend to 31st December 2013 | Profilled Budget | Variance to Profilled Budget | % Spend Against Latest Budget | Projected Outturn at 31st December 2013 | Outturn Variance to Latest Budget | Outturn Variance due to Slippage | Outturn variance due to Over/ Under spend |
| | £ | £ | £ | £ | | £ | £ | £ | £ |
| N6390 Kitchens & Bathrooms | 2,612,879 | 2,035,545 | 2,051,260 | (15,715) | 78% | 2,734,649 | 121,770 | | 121,770 |
| N6391 Heating | 1,351,024 | 910,799 | 928,153 | (17,354) | 67% | 1,351,024 | 0 | | |
| N6388 Major Voids | 840,500 | 375,566 | 606,505 | (230,938) | 45% | 640,500 | (200,000) | | (200,000) |
| N6395 Electrics | 317,135 | 270,949 | 228,813 | 42,136 | 85% | 317,135 | 0 | | |
| Housing Revenue Account | 14,705,538 | 6,704,705 | 6,825,285 | (120,579) | 46% | 12,514,308 | (2,191,230) | (2,113,000) | (78,230) |
| Grand Total | 29,377,178 | 12,737,097 | 14,661,019 | (1,923,922) | 43% | 26,915,635 | (2,461,543) | (2,396,500) | (65,043) |

| HRA Outturn Report 13/14 @ 31st December, 2013 | | Approved Budget (per Budget book) | Latest Budget | Actual YTD | Budget YTD | % Budget Spent @ 31st Dec, 2013 | Projected Outturn @ 31st Dec, 2013 | Outturn Variance @ 31st Dec, 2013 | Reported Last Month | Mvt from Reported Last Month |
|---|-----------------|--------------------------------------|-----------------|-----------------|-------------|------------------------------------|---------------------------------------|--------------------------------------|---------------------|---------------------------------|
| | | £000's | £000's | £000's | £000's | % | £000's | £000's | £000's | £000's |
| Dwelling Rent | (38,824) | (39,435) | (30,045) | (30,246) | 76% | (39,635) | (200) | 0 | (200) | (200) |
| Service Charges | (1,040) | (1,052) | (897) | (879) | 85% | (1,050) | 3 | (13) | (13) | 15 |
| Furniture/Other Rent | (2,333) | (897) | (771) | (673) | 86% | (930) | (33) | (172) | (172) | 139 |
| Major Project Team Fees | (621) | (321) | (180) | (241) | 56% | (321) | 0 | 0 | 0 | 0 |
| Net Income | (42,818) | (41,706) | (31,894) | (32,039) | 76% | (41,936) | (231) | (185) | (185) | (46) |
| General Management | 4,218 | 4,576 | 3,008 | 3,284 | 66% | 4,476 | (100) | 108 | (208) | (208) |
| Special Management | 2,515 | 2,390 | 1,600 | 1,793 | 67% | 2,373 | (17) | 35 | (52) | (52) |
| Other Management | 2,584 | 2,591 | 1,574 | 1,687 | 61% | 2,712 | 121 | 0 | 121 | 121 |
| Bad Debt Provision | 500 | 430 | 212 | 243 | 49% | 430 | 0 | 30 | (30) | (30) |
| Responsive & Cyclical Repairs | 9,991 | 9,975 | 6,752 | 6,858 | 68% | 9,853 | (122) | 10 | (132) | (132) |
| Interest Paid | 7,060 | 7,792 | 5,844 | 5,844 | 75% | 7,792 | 0 | 371 | (371) | (371) |
| Depreciation | 8,267 | 5,625 | 4,219 | 4,219 | 75% | 5,459 | (167) | 0 | (167) | (167) |
| Total Expenditure | 35,135 | 33,380 | 23,208 | 23,929 | 70% | 33,095 | (285) | 554 | (839) | (839) |
| Net Operating Expenditure/(Income) | (7,683) | (8,326) | (8,685) | (8,110) | 104% | (8,841) | (515) | 369 | (884) | (884) |
| Interest Received | (56) | (32) | (24) | (24) | 75% | (68) | (36) | 0 | (36) | (36) |
| Other HRA Reserve Adjustments | 37 | 33 | (135) | (122) | -407% | (376) | (409) | (4) | (405) | (405) |
| Revenue Contribution to Capital | 10,830 | 6,459 | 4,993 | 4,966 | 77% | 1,712 | (4,747) | (2,417) | (2,417) | (2,330) |
| Total Appropriations | 10,812 | 6,461 | 4,834 | 4,821 | 75% | 1,268 | (5,193) | (2,421) | (2,772) | (2,772) |
| Total HRA (Surplus)/Deficit | 3,130 | (1,865) | (3,851) | (3,289) | 207% | (7,573) | (5,708) | (2,052) | (3,656) | (3,656) |

To: Executive Director of Organisational Development
and Corporate Services

Scrutiny Finance Panel

Date: 4th February 2014

Report of: Technical Officer (Treasury Management & VAT)

Title of Report: Treasury Management Performance Report 2013/14

Summary and Recommendations

Purpose of report: To report on the performance of the treasury management function for 2013/14 to date.

Recommendations / Points to note:

- 1) The performance of the treasury management function for the third quarter of 2013/14
- 2) The Investment Strategy for the remaining of 2013/14

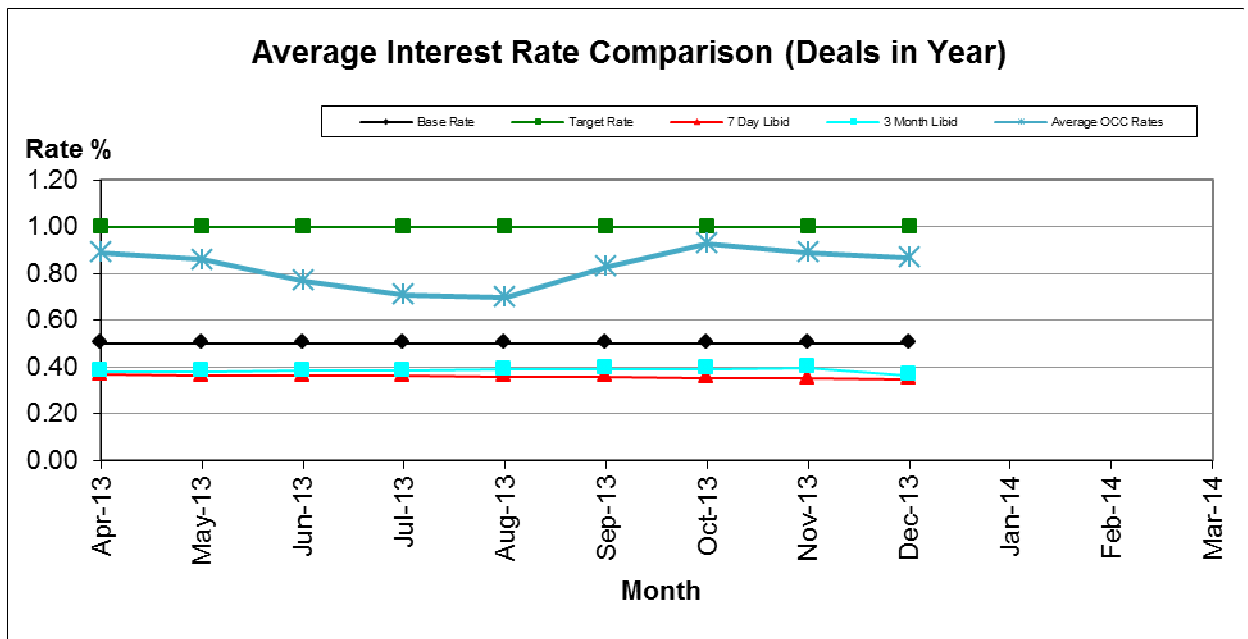
Investment Performance 2013/14

1. The cumulative average rate of return on investments to 31st December 2013 was 0.83%. This is a small increase on the 0.79% cumulative return reported in quarter 2 and is primarily due to elongating fixed deposits with local authorities from 3 months to between 3 months and 364 days. However, it is worth noting that as existing deposits with banks mature, they are likely to be reinvested at lower rates due to a general decline in the money market rates.
2. The 0.83% cited above takes into account the rate of return achieved from investments in the CCLA property fund; the cumulative average rate of return on investments to 31st December 2013 exclusive of property fund investments (currently amounting to £2.8m) is 0.66%.
3. The Council's investment balances have seen a slight increase over the third quarter of the financial year, averaging £66.1m at the beginning of October 2013 and £71.6m at the end of December 2013. Investment balances are likely to decrease in the final quarter of 2013/14 due to reduced amounts of collectable Council Tax and Business Rates income in February and March.

- The amount of investment interest included in the Council's budget for 2013/14 is £460k, and this is forecast to be on target.

Average Interest Rate Comparison Graph

- The graph below compares our in-house average rate of return for each month to the Bank of England's Base Rate and our benchmark interest rates:



- The graph shows that the Council's average monthly return is significantly above our benchmark interest rates and the Bank of England's Base Rate although it is still short of the target rate. It also shows that the monthly investment return dropped during the first quarter of the year, which was due to decreased market rates resulting in maturing loans being reinvested at a lower rate. However, the monthly return increased again towards the end of the second quarter and this was primarily due to the high yielding return achieved by the CCLA Property Fund.
- In the third quarter, there has been a slight month on month decline in the average rate of return and factors contributing to this include maturing 364-day deposits being reinvested at lower rates and a reduction in rate on the Council's 95-day notice account with NatWest, which has dropped by 20 basis points.

Icelandic Investments

- In October 2008, the Icelandic banks Landsbanki, Kaupthing and Glitnir collapsed and the UK subsidiaries of the banks, Heritable and Kaupthing Singer and Friedlander went into administration. The authority had £4.5

million deposited across 2 of these institutions, with varying maturity dates and interest rates.

9. Original balances were £3m with Heritable and £1.5m with Glitnir. Heritable has repaid 94% of the initial deposit plus an element of interest back and continue to make repayments. We have also received over 80% of the initial deposit placed with Glitnir. The remaining balance is currently held in Iceland, under Icelandic law, and we are awaiting advice from Bevan Brittan and Local Government Association regarding our options on this matter. There have been no changes to the Council's impaired Icelandic investments since last quarter.

10. The original terms and the amounts outstanding are shown in the table below:

| Counterparty | Original Principal | Interest Rate | Maturity Date | Interest Received | Principal Repaid | Exchange Rate Loss | Total Repaid | Total Outstanding as at 30.09.2013 |
|--------------|--------------------|---------------|---------------|--------------------|----------------------|--------------------|----------------------|------------------------------------|
| Glitnir | £1.5m | 5.51% | 28/01 2009 | £81,172.63 | £1,213,800.00 | (£45,238.57) | £1,249,734.06 | £350,577.94 |
| Heritable | £1.0m | 5.83% | 09/12 2008 | £4,805.45 | £940,173.45 | | £944,978.90 | £60,132.33 |
| Heritable | £1.0m | 6.04% | 05/01 2009 | £19,291.84 | £940,173.45 | | £959,465.29 | £61,054.16 |
| Heritable | £1.0m | 6.18% | 30/04 2009 | £11,779.73 | £940,173.45 | | £951,953.18 | £60,576.14 |
| Total | | | | £117,049.65 | £4,034,320.35 | (£45,238.57) | £4,106,131.43 | £532,340.57 |

Interest Rate Forecast

11. The Bank of England's Monetary Policy Committee (MPC) has continued to maintain the official Bank Rate paid on commercial bank reserves at 0.50%.

12. The Council's Treasury Advisor, Capita Asset Services, is currently predicting that the Bank of England's Base Rate will not rise before quarter 3 of 2016/17 (October 2016); this forecast has not changed since last quarter's report.

13. Capita Asset Services has provided the following interest rate forecast:

| | Q4 2013/14 | Q1 2014/15 | Q2 2014/15 | Q3 2014/15 | Q4 2014/15 | Q1 2015/16 | Q2 2015/16 | Q3 2015/16 | Q4 2015/16 |
|------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Bank Rate | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% | 0.50% |
| 5-yr PWLB Rate | 2.50% | 2.60% | 2.70% | 2.70% | 2.80% | 2.80% | 2.90% | 3.00% | 3.20% |
| 25-yr PWLB Rate | 4.40% | 4.40% | 4.50% | 4.50% | 4.60% | 4.70% | 4.80% | 4.90% | 5.00% |
| 50-yr PWLB Rate | 4.40% | 4.40% | 4.50% | 4.60% | 4.70% | 4.80% | 4.90% | 5.00% | 5.10% |

Investment Balances as at 31st December 2013

14. A list of investments held as at 31st December 2013 is shown in appendix 1 of this report. At the end of quarter 2, we invested a further £1.8m with the CCLA property fund. No further Treasury Bills have been purchased and the current strategy prevents us from arranging any further investments in certificates of deposit as we have reached our limit. Further investments into property funds are under consideration but as such an investment is classified as non-specified, due care and attention must be paid to the maximum 25% limit.

15. The most notable change in our investment portfolio since quarter 2 is the increase in investments with Local Authorities; these are proving a favourable option as they are low risk, the rates offered are more competitive than those being offered by the banks and building societies for equivalent periods and there is no limit as to the amount the Council may invest with other Local Authorities. Furthermore, the current strategy permits a maximum lending period of 364 days thus providing scope for a diversified maturity profile.

Property Funds

16. The total investment in the CCLA property fund currently stands at £2.8m. The initial £1m invested in the first quarter of the financial year produced a return of 6% per annum as did the additional £1.8m that was invested at the end of quarter 2. It is expected that the fund will continue to achieve this rate on the total funds invested to date; the effects of this return have already started to show in the average weighted monthly return and is another contributing factor to the recently improved monthly returns.

17. The table below shows the number of units purchased in each tranche, along with the unit price at the end of each month. The unit price is re-valued on a monthly basis and reflects the value at which our share is held.

18. Fees of approx. £135k were paid in relation to the further investment made in Sept. The table below is showing that the unit price of our current investment has risen by 4% since April.

| | No of units held | Price per unit | Value of Units | No of units held | Price per unit | Value of Units | Total Value of Units | Increase/Decrease of total portfolio | % increase of total portfolio |
|-------------|---------------------------------------|----------------|----------------|--------------------------------------|----------------|----------------|----------------------|--------------------------------------|-------------------------------|
| | | | £ | | | £ | £ | £ | |
| | 1st Tranche purchased 30th April 2013 | | | 2nd Tranche purchased 30th Sept 2013 | | | | | |
| 2013 | | | | | | | | | |
| April | 447,507 | 2.2346 | 1,000,000 | | | | 1,000,000 | | |
| May | 447,507 | 2.2351 | 1,000,223 | | | | 1,000,223 | 223 | 0.02% |
| June | 447,507 | 2.2636 | 1,012,977 | | | | 1,012,977 | 12,977 | 1.30% |
| July | 447,507 | 2.2331 | 999,328 | | | | 999,328 | -672 | -0.07% |
| August | 447,507 | 2.2320 | 998,836 | | | | 998,836 | -1,164 | -0.12% |
| September | 447,507 | 2.2539 | 1,008,636 | 826,105 | 2.2539 | 1,861,958 | 2,870,594 | 8,636 | 0.86% |
| October | 447,507 | 2.2637 | 1,013,022 | 826,105 | 2.2637 | 1,870,054 | 2,883,075 | 21,117 | 0.74% |
| November | 447,507 | 2.2609 | 1,011,769 | 826,105 | 2.2609 | 1,867,741 | 2,879,509 | 17,551 | 0.61% |
| December | 447,507 | 2.3390 | 1,046,719 | 826,106 | 2.3390 | 1,932,262 | 2,978,981 | 117,023 | 4.09% |

It is important to note that the market value of the properties and the unit price held by the Council can fluctuate both upwards and downwards.

The Treasury Management Counterparty List

19. The approved counterparty list provides details of both maximum duration periods and cash amounts that may be placed with each counterparty and where applicable, counterparty group at any given point in time.
20. The Council's approved Treasury Management Counterparty List is based upon Capita Asset Services' recommended counterparty lending list. This list is determined by current counterparty credit ratings provided by the three main credit rating agencies and by changes to their credit default swap spreads. Whilst the Council uses this list as the main basis for determining whether or not an investment is arranged with a specific counterparty, foreign banks are not utilised at present. Officers review the lending list on a weekly basis, or more frequently if additional information is released.
21. All lending is also currently restricted to a maximum of three months to all other institutions, with the exception of other local authorities or semi-nationalised banks. No changes are required to the overall Investment Treasury Management Strategy as this change is at an operational level.
22. The Council continues to hold its main bank account with the Co-op. Currently, the Co-op's long and short term credit ratings are BB- and B respectively, with a viability rating of bb- and support rating of 5. Although these ratings do not meet the strategy criteria, the bank account is used for overnight transactional purposes only and no funds are held in the account on a longer term basis.
23. In November 2013, the Co-operative announced that whilst it would honour existing contracts with local authority customers, it would not be renewing them. The Council's current contract is due to expire in March 2016. A re-tendering process is likely to take between six and twelve months and as less support will be available as the Co-operative winds down its operations, officers are scheduling a project to procure a revised banking service with effect from 1st April 2015. Oxford City Council may corroborate with other local authorities on this procurement exercise.

Borrowing

24. The Council's external debt as at 31st March 2013 was approximately £201.2 million. This includes approximately £198.5 million borrowed from the Public Work Loans Board (PWLB) to buy out of the Housing Revenue Account (HRA) subsidy system. The debt is held at fixed rates, with varying lengths of time before maturity. The debt is wholly related to Housing with the interest being met by the Housing Revenue Account. Restructuring and premature repayment of the old debt has been considered and ruled out because the Council would incur a large premium from PWLB as these existing debts are at very high interest rates.

25. The Council continues to monitor borrowing interest rates and forecasts on a regular basis to be in a position to track any restructuring opportunities as they arise.

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Appendix 1 Current Lending List as at 31st December 2013

| Counterparty | Principal | Intrest Rate | Trade Date | Start Date | Maturity Date | Type of Investment/ Deposit |
|---|-----------------------|--------------|------------|------------|---------------|--------------------------------|
| Lloyds TSB | £2,200,000.00 | 1.10% | 05-Apr-13 | 05-Apr-13 | 04-Apr-14 | Fixed deposit |
| Lloyds TSB | £2,000,000.00 | 1.05% | 17-May-13 | 17-May-13 | 16-May-14 | Fixed deposit |
| Bank of Scotland | £3,500,000.00 | 3.00% | 04-Jul-13 | 04-Jul-13 | 03-Jul-14 | Fixed deposit |
| Standard Chartered | £3,000,000.00 | 0.54% | 27-Sep-13 | 27-Sep-13 | 27-Mar-14 | Certificate of Deposit |
| Skipton Building Society | £1,000,000.00 | 0.43% | 01-Oct-13 | 01-Oct-13 | 02-Jan-14 | Fixed deposit |
| Barclays Bank plc | £2,000,000.00 | 0.46% | 02-Oct-13 | 02-Oct-13 | 02-Jan-14 | Fixed deposit |
| Coventry Building Society | £2,000,000.00 | 0.45% | 07-Oct-13 | 07-Oct-13 | 07-Jan-14 | Fixed deposit |
| Barclays Bank plc | £3,000,000.00 | 0.46% | 15-Oct-13 | 15-Oct-13 | 15-Jan-14 | Fixed deposit |
| Coventry Building Society | £1,000,000.00 | 0.45% | 16-Oct-13 | 16-Oct-13 | 16-Jan-14 | Fixed deposit |
| Standard Chartered | £3,000,000.00 | 0.53% | 18-Oct-13 | 18-Oct-13 | 22-Apr-14 | Certificate of Deposit |
| Birmingham City Council | £3,000,000.00 | 0.45% | 31-Oct-13 | 16-Dec-13 | 17-Mar-14 | Fixed deposit |
| Nationwide Building Society | £1,500,000.00 | 0.45% | 05-Nov-13 | 05-Nov-13 | 05-Feb-14 | Fixed deposit |
| Lancashire County Council | £3,000,000.00 | 0.60% | 05-Nov-13 | 09-Dec-13 | 04-Nov-14 | Fixed deposit |
| Stirling Council | £3,000,000.00 | 0.50% | 05-Nov-13 | 12-Nov-13 | 12-May-14 | Fixed deposit |
| Blaenau Gwent County Borough Council | £2,000,000.00 | 0.40% | 08-Nov-13 | 06-Dec-13 | 06-Mar-14 | Fixed deposit |
| Bank of Scotland | £1,300,000.00 | 0.98% | 12-Nov-13 | 12-Nov-13 | 11-Nov-14 | Fixed deposit |
| Nationwide Building Society | £1,300,000.00 | 0.45% | 12-Nov-13 | 12-Nov-13 | 12-Feb-14 | Fixed deposit |
| Barclays Bank plc | £1,800,000.00 | 0.45% | 15-Nov-13 | 15-Nov-13 | 14-Feb-14 | Fixed deposit |
| Dundee City Council | £3,000,000.00 | 0.47% | 11-Nov-13 | 02-Dec-13 | 13-May-14 | Fixed deposit |
| Corby Borough Council | £5,000,000.00 | 0.59% | 28-Nov-13 | 05-Dec-13 | 06-Oct-14 | Fixed deposit |
| Salford City Council | £3,000,000.00 | 0.45% | 05-Dec-13 | 06-Dec-13 | 21-Mar-14 | Fixed deposit |
| Salford City Council | £2,000,000.00 | 0.50% | 09-Dec-13 | 10-Dec-13 | 27-Jun-14 | Fixed deposit |
| Nationwide Building Society | £1,000,000.00 | 0.45% | 13-Dec-13 | 13-Dec-13 | 13-Mar-14 | Fixed deposit |
| Nationwide Building Society | £1,000,000.00 | 0.42% | 13-Dec-13 | 13-Dec-13 | 05-Feb-14 | Fixed deposit |
| Natwest Bank Liquidity Manager 95-day account | £2,010,368.53 | 0.60% | | | | Notice account |
| CCLA Property Fund | £3,000,000.00 | | | | | Property Fund |
| Deutsche Bank | £415,000.00 | | | | | Money Market Fund |
| Goldman Sachs (Sterling Liquid Reserves Fund) | £4,860,000.00 | | | | | Money Market Fund |
| Ignis Sterling Liquidity Fund | £6,800,000.00 | | | | | Money Market Fund |
| | £71,685,368.53 | | | | | |

Glossary of Terms:

Certificates of Deposit
Property Fund

Fixed rate, fixed term promissory note with a commercial bank
A portfolio of properties held for investment by a third party