

# Agenda

## Finance and Performance Panel (Panel of the Scrutiny Committee)

This meeting will be held on:

Date: **Thursday 18 July 2024**

Time: **6.00 pm**

Place: **Zoom - Remote meeting**

**For further information** please contact:

Alice Courtney, Scrutiny Officer

☎ 07483 010160

✉ [DemocraticServices@oxford.gov.uk](mailto:DemocraticServices@oxford.gov.uk)

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## Committee Membership

Councillor James Fry (Chair)

Councillor Chris Jarvis

Councillor David Henwood (*substitute for Cllr Ian Yeatman*)

Councillor Dr Christopher Snowton

Councillor Ian Yeatman (*apologies*)

Apologies and notification of substitutes received before the publication are shown under *Apologies for absence* in the agenda. Those sent after publication will be reported at the meeting.

# Agenda

	<b>Pages</b>
<b>1 Apologies</b>	
<i>The Scrutiny Committee Chair has, due to exceptional circumstances, permitted a substitution for this meeting. Apologies have been received from Cllr Ian Yeatman; Cllr David Henwood will be substituting.</i>	
<b>2 Declarations of Interest</b>	
<b>3 Chair's Announcements</b>	
<b>4 Notes of the previous meeting</b>	9 - 14
The Panel is asked to <b>agree</b> the notes of the meeting held on 26 March 2024 as a true and accurate record.	
<b>5 Finance and Performance Panel Work Plan</b>	15 - 22
The Panel is asked to consider the provisional Work Plan and agree any amendments, taking into account the list of suggested items for Scrutiny-commissioned reports at Appendix A and ensuring that any additional Scrutiny-commissioned items which are agreed have a clear and specific scope.	
<b>6 Report back on recommendations</b>	23 - 28
At its meeting on 12 June 2024, Cabinet considered the following reports from the Finance and Performance Panel and made responses to the recommendations:	
<ul style="list-style-type: none"><li>• Integrated Performance Report Q3 2023/24</li></ul>	
Cabinet's responses to recommendations were presented to the Scrutiny Committee at its meeting on 02 July 2024 for noting.	
The Panel is asked to <b>note</b> Cabinet's responses to its recommendations.	

<b>7</b>	<b>Financial Outturn Report 2023/24</b>	29 - 46
	<p>Cabinet, at its meeting on 10 July 2024, considered a report from the Head of Financial Services on the Financial Outturn Report 2023/24. Cllr Ed Turner, Deputy Leader (Statutory) and Cabinet Member for Finance and Asset Management and Nigel Kennedy, Head of Financial Services, have been invited to present the report and answer questions. The Committee is asked to consider the report and agree any recommendations.</p>	
<b>8</b>	<b>Comparative Analysis - Capital Slippage</b>	47 - 52
	<p>At its meeting on 26 March 2024, the Panel recommended: 'That the Council undertakes a comparative analysis of the current overall slippage of the Capital Programme and how that aligns with the 40% optimism bias assumptions included in the MTFP 2024/25 to 2027/28, to understand the extent to which the 40% optimism bias assumptions from 2024/25 are realistic'. At its meeting on 12 June 2024, Cabinet agreed the recommendation and confirmed that a briefing note would be prepared for the Panel once year-end figures for 2023/24 were known. The briefing note is attached.</p> <p>Cllr Ed Turner, Deputy Leader (Statutory) and Cabinet Member for Finance and Asset Management, Nigel Kennedy, Head of Financial Services, Tom Bridgman, Executive Director (Development) and Helen Horne, Managing Director (OX Place) have been invited to present the briefing note and answer questions. The Panel is asked to note and comment on the briefing note and agree any recommendations.</p>	
<b>9</b>	<b>Scrutiny Performance Monitoring</b>	53 - 60
	<p>The Panel agreed to have Scrutiny Performance Monitoring as a standing item on its agendas for 2023/24. The end of year report for 2023/24 is attached.</p> <p>The Panel is asked to:</p> <ol style="list-style-type: none"><li>1. <b>Note and comment on</b> the performance report for KPIs selected by the Finance and Performance Panel in the 2023/24 municipal year as at March 2024.</li><li>2. <b>Agree</b> any written questions to submit for response after the meeting; <b>and/or agree</b> to invite relevant officers to a future meeting.</li><li>3. <b>Agree</b> whether or not it wishes to continue to have Scrutiny Performance Monitoring as a standing item on its agendas.</li></ol> <p>If the Panel does wish to continue having Scrutiny Performance Monitoring as a standing item on agendas, the Panel is recommended to <b>agree</b> to defer consideration of which KPIs to monitor during 2024/25</p>	

to a future meeting.

## **10 Dates of future meetings**

The Panel is asked to note the dates and times of future meetings of the Finance and Performance Panel:

- 04 September 2024, 6pm
- 04 December 2024, 6pm
- 15 January 2025, 6pm
- 07 April 2025, 6pm

*Meetings will take place remotely via Zoom.*

## **11 Matters Exempt or part exempt from publication and exclusion of the public**

If the Panel wishes to exclude the press and the public from the meeting during consideration of any aspects of the preceding or following agenda items it will be necessary for the Panel to pass a resolution in accordance with the provisions of Section 100A(4) of the Local Government Act 1972 specifying the grounds on which their presence could involve the likely disclosure of exempt information as described in specific paragraphs of Part 1 of Schedule 12A of the Act if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

(The Access to Information Procedure Rules – Section 15 of the Council’s Constitution – sets out the conditions under which the public can be excluded from meetings of the Council).

### **11a Strategic Review of Services Across Community Services - Progress Update**

61 - 64

At its meeting on 26 March 2024, the Panel requested that a progress update on the Strategic Review of Services Across Community Services be submitted to a future meeting of the Panel at the appropriate stage; the progress update is attached. Peter Matthew, Executive Director (Communities and People), Nigel Kennedy, Head of Financial Services and Suzanne Hemingway, Service Review Consultant have been invited to present the item and answer questions. The Panel is asked to consider the update and agree any recommendations.

**11b Strategic Review of Services Provided by Oxford Direct Services (ODS) - Progress Update**

65 - 68

At its meeting on 26 March 2024, the Panel requested that a progress update on the Strategic Review of Services Provided by Oxford Direct Services (ODS) be submitted to a future meeting of the Panel at the appropriate stage; the progress update is attached. Peter Matthew, Executive Director (Communities and People), Nigel Kennedy, Head of Financial Services and Suzanne Hemingway, Service Review Consultant have been invited to present the item and answer questions. The Panel is asked to consider the update and agree any recommendations.

**11c Exempt Treasury Management Matters [discussion item]**

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The Chair of the meeting has absolute discretion to suspend or terminate any activities that in his or her opinion are disruptive.

### **Councillors 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; licenses 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". 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 member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

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## **Minutes of a meeting of the Finance and Performance Panel (Panel of the Scrutiny Committee) on Tuesday 26 March 2024**



### **Committee members present:**

Councillor Fry (Chair)

Councillor Djafari-Marbini

Councillor Jarvis

Councillor Latif

Councillor Smowton

### **Officers present for all or part of the meeting:**

Nigel Kennedy, Head of Financial Services

Peter Matthew, Executive Director (Communities and People)

Alice Courtney, Scrutiny Officer

### **Apologies:**

No apologies were received

### **43. Declarations of Interest**

None.

### **44. Chair's Announcements**

None.

### **45. Notes of the previous meeting**

The Panel agreed the notes of the meeting held on 22 January 2024 as a true and accurate record.

*Cllr Smowton joined the meeting.*

In relation to minute 38, Housing Revenue Account (HRA) Rent Setting Report 2024/25, the Panel noted that Cabinet had agreed to increase the charge for a garage by 7.7%, in line with the percentage increase to social housing rents, rather than the 7% which was set out in the report.

### **46. Finance and Performance Panel Work Plan**

The Panel considered the Work Plan, noting it was the Panel's final meeting of the municipal year.

The Panel agreed the Work Plan as set out in the agenda pack.

## 47. Report back on recommendations

The Panel noted the following Cabinet responses to its recommendations:

- Corporate Key Performance Indicator (KPI) Review

In discussion, the Panel highlighted that Cabinet had not explicitly indicated whether it agreed, agreed in part, or did not agree with the recommendations; and had instead opted to provide only a commentary in response to the recommendations. The Panel noted that it could not require Cabinet to specify whether it agreed or otherwise with the recommendations, but agreed that it was helpful when Cabinet completed the 'agree?' column of the Cabinet response template.

## 48. Integrated Performance Report Q3 2023/24

*Cllr Latif joined the meeting.*

This report provided an update on the Council's finance, risk and corporate performance matters as at 31 December 2023. It was considered by Cabinet at its meeting on 13 March 2024; Cllr Turner, Deputy Leader (Statutory) and Cabinet Member for Finance and Asset Management had sent his apologies for the Panel meeting. Nigel Kennedy, Head of Financial Services was in attendance to answer questions.

In response to questions, the Panel was advised that:

- All spend which met the requirement for capital expenditure in respect of Responsive & Cyclical Repairs (currently charged to the revenue budget) would be capitalised; this would improve the financial position of the Housing Revenue Account (HRA) as that spend would be taken out of the revenue budget and charged to capital, which would then be funded through borrowing and/or grants.
- A 40% 'optimism bias' reduction had been applied in the Medium Term Financial Plan (MTFP) for 2024/25 to 2027/28 in order to better account for slippage within the Capital Programme. No comparisons had been undertaken between current slippage levels and how they aligned with the 40% optimism bias assumptions which would be applied to the Capital Programme from 2024/25.
- Slippage within the Capital Programme was generally unintentional and projects were not intentionally delayed so as to improve the revenue budget position.
- The Cave Street capital project was classed as a postponement, rather than slippage, as it had been proactively taken out of the Capital Programme completely for the time being as the business case was no longer viable in the current climate.
- The Head of Financial Services would seek clarification as to why four of the corporate indicators had no data available for the report and feed back to the Panel.
- The Council did not generally budget for maternity cover as it was too difficult to predict; where maternity cover required backfilling of a post, this led to a budget overspend. The Business Improvement staffing pressures related largely to high levels of maternity and sickness leave within the Contact Centre; it was hoped that the pressures would not carry forward, as mitigations such as the rollout of online forms sought to relieve the pressures to an extent.
- St Aldate's Chambers and Cadogan House had both now been let, however there was a grace period within which the Council would not receive any income. Income was expected to flow through over the next 12 months.

- The 'Fusion saving' referenced in the report related to a saving in energy costs in connection with the Fusion contract, as the Council had budgeted for higher energy bills and the actual energy bills had been slightly below the forecasted budget.
- The Head of Financial Services relied on the expertise of officers within Corporate Property when factoring the time taken to complete lettings into the budget.
- The Head of Financial Services took the advice of other officers in relation to the number and classification of risks.
- The red service area risk relating to procurement challenges was not intrinsic to the Council, it was as a result of a national trend which had seen an increase in procurement challenges. The Council had received two challenges in the past six months, though both had been successfully rebutted. Challenges did cause delays but a standstill period was already built into procurement processes; the Council had robust procurement processes in place and would also ensure adequate training for officers.
- Mitigations to address workforce sustainability risks included pay settlements and pay benchmarking with other local authorities.
- The Executive Director (Communities and People) would seek clarification around the timescales for delivery of the Adult Homeless Pathway transformation programme and report back to the Panel.
- The Key Performance Indicators (KPIs) included at Appendix D to the report covered the 'year to date'. The Head of Financial Services agreed that this could be set out more clearly in the appendix to ensure clarity on the period covered. The KPIs were currently under review and revised KPIs would be brought forward in due course.
- Housing Services held data in relation to longevity in Temporary Accommodation which could be shared with the Panel.

The Panel requested that:

- The Head of Financial Services seek clarification as to why four of the corporate indicators had no data available for the report and feed back to the Panel.
- The Executive Director (Communities and People) seek clarification around the timescales for delivery of the Adult Homeless Pathway transformation programme and report back to the Panel.
- Information relating to longevity in Temporary Accommodation be shared with the Panel to allow Members to understand how long individuals currently in Temporary Accommodation had been accommodated in Temporary Accommodation.

The Panel agreed to recommend to Cabinet that:

1. The Council undertakes a comparative analysis of the current overall slippage of the Capital Programme and how that aligns with the 40% optimism bias assumptions included in the MTFP 2024/25 to 2027/28, to understand the extent to which the 40% optimism bias assumptions from 2024/25 are realistic.
2. The Council undertakes an analysis in relation to the letting of Council-owned property between estimated time taken to let properties versus actual time taken to let properties, with a view to being able to incorporate more accurate assumptions in the budget going forward.

3. The Council reassesses corporate and service area risks to ensure accuracy of the number and classification of risks, with particular consideration given as to whether the two corporate risks relating to climate change should be merged into one risk and whether the service area risk related to Hinksey Heated Outdoor Pool should be reduced to an amber risk.
4. The Council ensures clarity in future Integrated Performance reports in relation to the period covered by Key Performance Indicator reporting.

## **49. Scrutiny Performance Monitoring**

There was no discussion under this item.

The Panel noted the performance report for KPIs selected by the Finance and Performance Panel in the 2023/24 municipal year as at December 2023.

## **50. Matters Exempt or part exempt from publication and exclusion of the public**

The Panel agreed, in accordance with the provisions of Section 100A(4) of the Local Government Act 1972 to exclude the press and the public from the remaining items of business on the grounds that their presence would involve the likely disclosure of exempt information as described in Paragraph 3 of Part 1 of Schedule 12A of the Act.

### **a) Strategic Review of Services Across Community Services - Draft Terms of Reference**

The Panel held a discussion relating to the draft terms of reference for the Strategic Review of Services Across Community Services in private.

*The Chair, Cllr Fry left the meeting and did not return.*

The Panel agreed to elect Cllr Jarvis as Chair for the remainder of the meeting.

In response to questions, the Panel was advised that:

- Appropriate Member engagement would be undertaken throughout the review process.
- Consideration would be given as to how best to facilitate Scrutiny involvement in the review process. The Panel was clear that it would value Scrutiny involvement at an early stage when there were still multiple possible options, rather than at the point at which a final report was submitted for decision to Cabinet, for example.
- It was anticipated that there would be an interim report on the review's progress in June 2024; the Executive Director (Communities and People) and the Scrutiny Officer could discuss scheduling this into the Work Plan outside the meeting.
- The new Leisure Management Contract would be considered in the context of the overall review, however regular monitoring and management of that contract was not in scope of the review; monitoring and management activity of that contract would be undertaken separately to the review.
- It was too early within the review process to discuss key performance indicators; it would be more appropriate to consider this once the review was underway.
- The outcome of the review was required to be reported by the end of September 2024; the outcome would then feed into the consultation budget for 2025/26.

- Internal communications channels with staff had already been established to keep staff informed of the review and its progress; resident communications would be rolled out later in the process once the implications of the review became clearer.

The Panel:

- Noted the draft terms of reference.
- Requested that the Scrutiny Officer engage with the Executive Director (Communities and People) to schedule in Scrutiny consideration of the interim report on the review's progress which was anticipated in June 2024 and any other Scrutiny involvement in the review process, as appropriate.

**b) Strategic Review of Services Provided by Oxford Direct Services (ODS) - Draft Terms of Reference**

The Panel held a discussion relating to the draft terms of reference for the Strategic Review of Services Provided by Oxford Direct Services (ODS) in private.

In response to questions, the Panel was advised that:

- The review would focus on the commissioning and clienting of ODS services by the Council in order to identify savings and efficiencies.
- Appropriate Member engagement would be undertaken throughout the review process.
- Consideration would be given as to how best to facilitate Scrutiny involvement in the review process. The Panel was clear that it would value Scrutiny involvement at an early stage when there were still multiple possible options, rather than at the point at which a final report was submitted for decision to Cabinet, for example.
- The Head of Financial Services and the Scrutiny Officer could discuss scheduling further consideration of this review into the Work Plan outside the meeting.
- It was too early within the review process to discuss key performance indicators; it would be more appropriate to consider this once the review was underway.
- The outcome of the review was required to be reported by the end of September 2024; the outcome would then feed into the consultation budget for 2025/26.
- Housing Revenue Account (HRA) building maintenance was not in scope of the review, as the focus of the review was on General Fund Services. HRA building maintenance would be considered under the review of the HRA Business Plan.
- The Council was undertaking stock condition surveys in relation to HRA stock to ensure compliance with the New Homes Standard and enable prioritisation of investment and improvement works. No HRA stock had been identified to date which did not meet the national decency standards.
- The enactment of the Social Housing (Regulation) Act 2023 would help address quality issues in Housing Association stock through the Regulator for Social Housing inspection regime.

The Panel:

- Noted the draft terms of reference.
- Requested that the Scrutiny Officer engage with the Head of Financial Services to schedule in further Scrutiny consideration of the review's progress at the appropriate point.

*Cllr Djafari-Marbini left the meeting and did not return.*

**c) Exempt Treasury Management Matters [discussion item]**

The Panel held a discussion relating to Treasury Management matters in private.

**51. Dates of future meetings**

The Panel noted the dates and times of future meetings.

**The meeting started at 6.00 pm and ended at 7.25 pm**

**Chair .....**

**Date: Thursday 6 June 2024**

*When decisions take effect:*

*Cabinet: after the call-in and review period has expired*

*Planning Committees: after the call-in and review period has expired and the formal decision notice is issued*

*All other committees: immediately.*

*Details are in the Council's Constitution.*

## [Provisional] Finance and Performance Panel Work Plan

NB This work plan is provisional and is subject to change. Changes made outside meetings are agreed between the Scrutiny Officer and the Chair.

Cabinet items beyond two months in advance are not included on the work plan owing to the greater potential they will move or alternative items of higher priority arise in the meantime.

### 18 July 2024 – reports

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Financial Outturn Report 2023/24	Yes	To update Cabinet on finance, risk and corporate performance matters as at 31 March 2024.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services
Strategic Review of Services Across Community Services – Progress Update	No	To consider the report and agree any recommendations.	Deputy Leader (Statutory) – Finance and Asset Management	Peter Matthew, Executive Director (Communities and People) Nigel Kennedy, Head of Financial Services
Strategic Review of Services Provided by Oxford Direct Services (ODS) – Progress Update	No	To consider the report and agree any recommendations.	Deputy Leader (Statutory) – Finance and Asset Management	Peter Matthew, Executive Director (Communities and People) Nigel Kennedy, Head of Financial Services
Comparative Analysis – Capital Slippage	No	To consider the report and agree any recommendations.	Deputy Leader (Statutory) – Finance and Asset Management	Tom Bridgman, Executive Director (Development) Nigel Kennedy, Head of Financial Services

Scrutiny Performance Monitoring Q4 2023/24	No	To consider the report and agree any recommendations.	N/A	N/A
Exempt Treasury Management Matters [discussion item]	No	To receive a verbal update on exempt matters relating to Treasury Management.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services

### 04 September 2024 – provisional reports

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Treasury Management Annual Report 2023/24	Yes	A report to set out the Council's Treasury Management activity and performance for the financial year 2023-24.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services
Integrated Performance Report Q1 2024/25	Yes	A report to update Cabinet on finance, risk and corporate performance matters as at 30 June 2024.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services
Council Tax Reduction Scheme for 2025/26	Yes	To recommend to Council a local Council Tax Reduction Scheme for 2025-26.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services



Scrutiny Performance Monitoring Q1 2024/25	No	To consider the report and agree any recommendations.	N/A	N/A
Exempt Treasury Management Matters [discussion item]	No	To receive a verbal update on exempt matters relating to Treasury Management.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services

### 04 December 2024 – provisional reports

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Budget 2025/26	Yes	To propose a Medium Term Financial Strategy and the 2024/25 Budget for consultation. To note the report and agree a list of written questions to Heads of Service which will form part of the discussion for the Budget Review Group.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services
Scrutiny Performance Monitoring Q2 2024/25	No	To consider the report and agree any recommendations.	N/A	N/A
Exempt Treasury Management Matters [discussion item]	No	To receive a verbal update on exempt matters relating to Treasury Management.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services

## 15 January 2025 – provisional reports

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Report of the Budget Review Group	No	To approve the report of the Budget Review Group for submission to the Scrutiny Committee; and to recommend that the Scrutiny Committee approves the report of the Budget Review Group for submission to Cabinet.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services
Exempt Treasury Management Matters [discussion item]	No	To receive a verbal update on exempt matters relating to Treasury Management.	Deputy Leader (Statutory) – Finance and Asset Management	Nigel Kennedy, Head of Financial Services

## 07 April 2025 – provisional reports

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Scrutiny Performance Monitoring Q2 2024/25	No	To consider the report and agree any recommendations.	N/A	N/A
Social Value/Impact in Procurement and Update on the Procurement Act 2023/Procurement Regulations 2024	No	To consider the report and agree any recommendations.	Deputy Leader (Statutory) – Finance and Asset Management	Annette Osborne, Procurement Manager Nigel Kennedy, Head of Financial Services
Exempt Treasury Management Matters [discussion	No	To receive a verbal update on exempt matters relating to Treasury Management.	Deputy Leader (Statutory) – Finance and	Nigel Kennedy, Head of Financial Services

item]			Asset Management	
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**Current Suggestions for Longlist of Scrutiny-Commissioned Reports for  
Consideration by the Finance and Performance Panel 2024/25**

<b><u>Suggested Item</u></b>	<b><u>Pencilled in to Work Plan 2024/25?</u></b>
1. Comparative Analysis – Capital Programme Slippage	Yes – July meeting

<b><u>Regular/Standard Items</u></b>	<b><u>Pencilled in to Work Plan 2024/25?</u></b>
Scrutiny-commissioned performance monitoring	Yes – item at most meetings; Panel to consider whether it wishes to continue receiving this report (some duplication with appendix to Integrated Performance reports)
Social Value/Impact in Procurement	Yes – April meeting
Issues faced by the Local Government Sector and how Oxford City Council compares	No
Exempt Treasury Management Matters [discussion item]	Yes – standing item at meetings

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**To:** Cabinet  
**Date:** 17 April 2024  
**Report of:** Finance and Performance Panel  
**Title of Report:** Integrated Performance Report Q3 2023/24

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To present Panel of the Scrutiny Committee recommendations for Cabinet consideration and decision
<b>Key decision:</b>	No
<b>Scrutiny Lead Member:</b>	Councillor James Fry, Panel Chair
<b>Cabinet Member:</b>	Councillor Ed Turner, Deputy Leader (Statutory) and Cabinet Member for Finance and Asset Management
<b>Corporate Priority:</b>	All
<b>Policy Framework:</b>	Council Strategy 2020-24
<b>Recommendation: That the Cabinet states whether it agrees or disagrees with the recommendations in the body of this report.</b>	

<b>Appendices</b>	
<b>Appendix A</b>	Draft Cabinet response to recommendations of the Scrutiny Committee

## Introduction and overview

1. The Finance and Performance Panel met on 26 March 2024 to consider the Integrated Performance Report Q3 2023/24. The report, which was considered by Cabinet on 13 March 2024, recommended that Cabinet noted the projected financial outturn as well as the position on risk and performance as at 31 December 2023.
2. The Panel would like to thank Nigel Kennedy (Head of Financial Services) for attending the meeting to answer questions.

## Summary and recommendations

3. The report provided an update on the Council's finance, risk and corporate performance matters as at 31 December 2023.

4. The Panel asked a range of questions, including questions relating to capitalisation of spend on Responsive & Cyclical Repairs; Capital Programme slippage; key performance indicators; budget pressures; and corporate and service area risk.
5. In particular, the Panel noted that the report highlighted significant slippage in the Capital Programme, which had been a common theme over the years. The Panel recalled that a 40% 'optimism bias' reduction had been applied in the Medium Term Financial Plan (MTFP) for 2024/25 to 2027/28 in order to better account for slippage within the Capital Programme. However, no comparisons had been undertaken between current slippage levels and how they aligned with the 40% optimism bias reduction assumed in the Capital Programme from 2024/25. The Panel agreed that such analysis would be helpful in understanding the extent to which the 40% optimism bias assumption was realistic.

***Recommendation 1: That the Council undertakes a comparative analysis of the current overall slippage of the Capital Programme and how that aligns with the 40% optimism bias assumptions included in the MTFP 2024/25 to 2027/28, to understand the extent to which the 40% optimism bias assumptions from 2024/25 are realistic.***

6. In addition, the Panel noted significant slippage within Council lettings, for example the letting of 1-3 George Street had been delayed compared to initial estimates. When questioning whether the Council factored delays in lettings into the budget as a matter of course, the Panel was informed that the Head of Financial Services relied on the expertise of officers within Corporate Property when factoring the estimated time taken to complete lettings into the budget. The Panel felt it would be a useful exercise for the Council to undertake an analysis of estimated time taken to let properties versus actual time taken to let properties, so that this information could be used to ensure more accurate assumptions regarding lettings in the budget going forward.

***Recommendation 2: That the Council undertakes an analysis in relation to the letting of Council-owned property between estimated time taken to let properties versus actual time taken to let properties, with a view to being able to incorporate more accurate assumptions in the budget going forward.***

7. During discussion related to risk, the Panel noted that there were two red corporate risks relating to climate change; the Panel felt that these were not separate risks and should be merged. In addition, the Panel was of the view that the red service area risk relating to Hinksey Heated Outdoor Pool was not so significant as to warrant it being a red risk; and that it should be reduced to an amber risk.

***Recommendation 3: That the Council reassesses corporate and service area risks to ensure accuracy of the number and classification of risks, with particular consideration given as to whether the two corporate risks relating to climate change should be merged into one risk and whether the service area risk related to Hinksey Heated Outdoor Pool should be reduced to an amber risk.***



8. The Panel also considered the Key Performance Indicator reporting set out in Appendix D to the report and noted that the document did not clearly set out the reporting period. It was not clear whether the reference to ‘December 2023’ referred to the month alone, the latest quarter (Q3), the year to date, or the revised estimate for the whole financial year. The Panel agreed that future iterations of the Integrated Performance report would benefit from clarity on the reporting period.

***Recommendation 4: That the Council ensures clarity in future Integrated Performance reports in relation to the period covered by Key Performance Indicator reporting.***

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**Appendix A**  
**Draft Cabinet response to recommendations of**  
**the Finance and Performance Panel of the Scrutiny Committee**

The document sets out the draft response of the Cabinet Member to recommendations made by the Finance and Performance Panel of the Scrutiny Committee on 26 March 2024 concerning the Integrated Performance Report Q3 2023/24. The Cabinet is asked to amend and agree a formal response as appropriate.

27

<b>Recommendation</b>	<b>Agree?</b>	<b>Comment</b>
1) That the Council undertakes a comparative analysis of the current overall slippage of the Capital Programme and how that aligns with the 40% optimism bias assumptions included in the MTFP 2024/25 to 2027/28, to understand the extent to which the 40% optimism bias assumptions from 2024/25 are realistic.	Yes	A briefing note will be prepared for finance panel once the year end figures are known for 2023-24.
2) That the Council undertakes an analysis in relation to the letting of Council-owned property between estimated time taken to let properties versus actual time taken to let properties, with a view to being able to incorporate more accurate assumptions in the budget going forward.	Yes	<p>This analysis is already undertaken. Some information can be provided now but a further briefing note can be provided if required.</p> <p>The rental income forecast for the Budget are now undertaken on a property-by-property basis over the four year term with an annual reforecast. On the base portfolio, they are accurate. Last year we saw circa £12k differential on £10.2m of income.</p> <p>Where we have more complex transactions, they do come with a higher risk and forecasting can be more challenging. In order to ensure the forecast is as accurate as possible we use market intelligence and also external advice where appropriate and the assumptions used to model the income are cautious.</p> <p>The Council is only ever in control of 50% of the</p>

		transaction and there are a number of external factors which can cause either an abortive or delayed transaction. The forecasts are reviewed quarterly to monitor this and any subsequent impact on the Budget.
3) That the Council reassesses corporate and service area risks to ensure accuracy of the number and classification of risks, with particular consideration given as to whether the two corporate risks relating to climate change should be merged into one risk and whether the service area risk related to Hinksey Heated Outdoor Pool should be reduced to an amber risk.	Yes	With the on boarding of the new Leisure contractor further mitigations have been put in place at the Hinksey Heated Outdoor pool. This will result in the risk being lowered to amber. The presentation of the climate change risks will be considered by the Head of Corporate Strategy for the next iteration of the risk register presented to Cabinet.
4) That the Council ensures clarity in future Integrated Performance reports in relation to the period covered by Key Performance Indicator reporting.	Yes	This amendment will be incorporated into future Integrated Performance Reports.

**To:** Cabinet  
**Date:** 10 July 2024  
**Report of:** Head of Financial Services  
**Title of Report:** Financial Outturn Report 2023/24

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To update Members on the financial outturn for the year ending 31 March 2024.
<b>Key decision:</b>	Yes
<b>Cabinet Member:</b>	Councillor Ed Turner, Deputy Leader (Statutory) – Finance and Asset Management
<b>Corporate Priority:</b>	All
<b>Policy Framework:</b>	Council Strategy 2020-24
<b>Recommendations:</b> That Cabinet resolves to:	
1.	<b>Note</b> the financial outturn and performance of the Council for the year 2023/24 and the recommended transfer of £3.903 million to the risk reserve; and
2.	<b>Agree</b> the carry forward requests in respect of the General Fund of £0.064 million in accordance with paragraph 2.

<b>Appendices</b>	
Appendix A	General Fund Outturn
Appendix B	Capital Programme Outturn
Appendix C	HRA Outturn

## Overview

- 1 This report updates the Cabinet on the financial performance of the Council for 2023/24.
  - **General Fund** –The final outturn position is a surplus of £3.903 million against the balanced budget agreed in February 2023. This outturn surplus is recommended to be transferred to the risk reserve, as the Council has become aware of substantial risks arising in the course of this financial year, notably from increased temporary accommodation spend.

- **Housing Revenue Account** – The year end surplus on the HRA is a total favourable variance of £1.441 million against the original budgeted surplus of £1.232 million.
- **Capital Programme** – the final outturn spend for the year is £59.149 million, a favourable variance of £73 million against the latest budget of £132.618 million. Main areas of slippage relate to enabling works for the leisure decarbonisation programme; Barton Park property purchases and Housing company loans; Growth Deal; Northern Gateway; Motor Vehicle purchases and Car park resurfacing.

## General Fund Outturn

- 2 General Fund outturn surplus is £3.903 million, as set out in Appendix A including a total of £0.064 million of General Fund carry forward requests have been recommended for approval. Carry forwards have been proposed for the following:
  - Delay in works for play areas - £14,700.
  - Delay in works for Hinksey play project - £10,750
  - Remaining DWP funding for Verify earnings and Pensions alerts service - £39,016.
- 3 The General Fund Earmarked Reserves as at the 31 March 2024 stand at £53 million. Of this amount useable reserves are approximately £25 million the most significant of which are as follows:
 

• Direct revenue funding of capital	£8.9 million
• Risk reserve	£4.8 million
• Employee reserve	£2.9 million
• NNDR reserve	£8.0 million
- 4 The current MTFP provides for exhausting the risk reserve and spending half of the direct funding reserve to fund capital, although usage of the direct funding reserve will depend on the level of slippage within the capital programme and of other resources generated to finance the programme.
- 5 In addition to the above the General Fund Working Balance was £3.6 million as at 31-3-2024.

## General Fund Variations

- 6 Notable variations to budget included:
  - **Housing Services** – Overspend of £1.5million. This is primarily due to the high demand for Temporary Accommodation. This high usage aligns with the national trend, with temporary accommodation levels in England now at the highest level since records began. The cost of living seems to be the major factor driving this pattern, with people unable to afford to stay in accommodation in the Private Rented Sector (PRS) where the Local Housing Allowance is frozen despite rental inflation being high. Additionally,

some landlords have been selling their properties and exiting the market due to increased interest rates.

- **Community Services** – Total underspend of £0.400 million at the end of the financial year consisting of a favourable variance of £514k of accrued income due from previous leisure management contractor, and savings in staffing in parks, youth ambition and localities team £370k offset by cost pressures arising from the tendering of the leisure centre contract of £239k, and £270k pressure from the delay to leasing St Aldates Chambers.
- **Corporate Property** – Favourable variance of £0.853million, this is mainly due to a reduction in the corporate Property Bad Debt Provision (£1.5 million) established to cover debt arising over the COVID period, additional rental income from leasehold properties, offset by delays in the letting of St Aldates chambers and Cadogan House, £700k, and an extra post for leisure clienting £50k.
- **Environmental Sustainability** – Favourable variance of £466k – due to additional income from ZEZ for 2023-24 and unexpected allocation from 2022-23, £310k, and underspend from costs payable to the County Council in respect of the ZEZ bid of £140k which were funded by DEFRA.
- **ODS Client** Overall favourable variance of £4.362 million – This is mainly due to a £4 million dividend payment in respect of prior years.
- **Business Improvement** – Adverse variance of £0.527 million. This includes staffing cost pressures in Transformation Projects and other ICT system maintenance costs and services £267k, staffing pressures within the Customer Contact Centre £113 million, failure to achieve Customer Change Experience Programme efficiencies £60K and an overspend of £89k on printing and postage due to more spend by different services.
- **Law and Governance** - favourable variance £0.552 million – driven by savings on election costs (£350k).

### **SLAs and Capital charges**

- An adverse variance of £0.973 million is currently being reported. This is mainly due to estimated depreciation charges. Depreciation and all Capital charges are based on the valuation of capital assets which has still to be completed. Any charges are reversed out below the line in corporate accounts in accordance with accounting statutory overrides and will not affect the overall surplus.

### **Corporate Accounts, Contingencies and Funding**

- **Corporate accounts** – An overall net adverse variance of £0.302 million. This is outlined below:
  - **Local Cost of Benefits** – adverse variance of £1.873 million (6.7% of total benefit paid in year). No benefit subsidy is claimable on 2 specific areas of spend:
    1. Local authority errors – where benefit is miscalculated and paid incorrectly, or benefit is overpaid due to delays in not taking into

account changes in circumstances which effect benefit. No subsidy is recoverable for all such expenditure above a threshold. In 2023-24 the threshold was £86k and expenditure exceeded this threshold by £250k. Total benefit expenditure for 2023-24 totalled £33 million. Should overpaid housing benefits be recovered from claimants then the position is neutralised.

2. Benefit paid to charitable organisations which are not registered providers and provide supported accommodation to vulnerable clients. Total expenditure in this area was £1.6 million which over recent years has escalated. Oxford in conjunction with a number of other authorities are lobbying DWP to change the legislation to allow the expenditure for subsidy purposes but to date there has been no change. Supported accommodation is a County Council function and they allocate vulnerable clients to support service providers. Without changes either from the Government or the County Council in who they allocate to, this expenditure is likely to increase because of the government's policy towards independent living.

- **Interest Payable and Investment Income:** Reporting a favourable variance of £1.571 million in total. This is mainly due to underspends in interest payable and MRP from reduced capital spend and other movements in cash balances.
- **Transfers to/from earmarked reserves** – adverse variance of £1.272 million. Budgeted to take money out of reserves to balance the budget but not required as outturn is a surplus.

## Company Financial positions

- 7 The Council has five wholly owned companies: Oxford Direct Services Ltd (ODSL), Oxford Direct Services Trading Ltd (ODSTL), Oxford City Housing Development Ltd (OCH(D)L), Oxford City Housing Investment Ltd (OCH(I)L) and Oxford City Housing Ltd (OCHL) plus a 50/50 joint venture, Oxford West End Development Ltd (OxWed), and a 50% share in Barton LLP.
- 8 The accounts for the companies are still in the process of being prepared at the time of writing this report and a verbal update can be given at Cabinet in July. Early indications given to shareholders are:
  - i. OXPlace – surplus of £3.79 million. The council's dividend expectation for 2024-25 is £3million and the company will decide on the level of dividend to be declared when the accounts are finalised in June.
  - ii. ODSI - £2.7 million surplus (£800k ahead of budget) and ODSTL £0.28 million £0.529 million adverse to budget i.e a total of around £3million which is £0.271m favourable to budget. Distributable reserves will be £4.2 million at year end based on the forecasts. The dividend expectation for 2024-25 is approximately £2million.



## Housing Revenue Account

- 9 The HRA achieved a favourable variance of £1.441 million above the original budgeted surplus of £1.232 million (Appendix C).
- 10 The HRA working balance remains unchanged at £4.0 million.
- 11 Major variations include:
- **Net Income** – Dwelling Rents and Service Charges achieved slightly more income than budgeted.
  - The favourable variance on miscellaneous income includes The New Burdens government grant of £18k that was received to assist the Tenancy Involvement Team to comply with the latest government requirements. Additional £120k income has arisen from increased take up of the Furnished Tenancy scheme, due to new homes developed by OXPlace and £120k backdated rent from a leased property.
  - **Management and Services (Stock related)** – There was an additional spend of £295k on Furnished Tenancies, £124k of Council tax payments on void properties, and a £249k increase in utility costs. These overspends were offset by underspends including several vacant posts in Landlord Services (£275k), other areas (£193k) and reduced spend on Supplies & Service (£787k) mainly due to a reduced spend on contracted services.
  - **Other Revenue spend (stock related)** – favourable variance of £0.659 million as the result of reduced spend on consultants (£172k), external legal counsel (£100k), guide service (£180k), General Contracted Services (£164k), Miscellaneous (£58k), and Software (£90k)
  - **Misc. Expenditure (not stock related)** – Underspend due to salary savings from vacant posts (£365k), consultancy fees (£229k) and an underspend on feasibility work on potential developments (£76k)
  - **Responsive and Cyclical Repairs** – The final position is an overspend of £1.301million which includes an unbudgeted additional SLA recharge from ODS of £481k for the contact centre. Overall this would have nil impact on the authority. Work was undertaken throughout the year to capitalise the majority of unplanned capital works. The majority of the overspend has been incurred against the General Minor Works budget line which has overspent by a total of £1.8million. OCC have implemented a programme of planned refurbishment works for a more holistic approach which should help minimise future overspends.
  - **Interest Paid & Depreciation** - The actual interest charged for the year on external debt came in over budget at £9.567m, an adverse variance of £0.947 million. Depreciation has currently been estimated at the budgeted amount until the actual figure is available when the accounts have been closed.
  - **Investment income** – favourable variance of £943k due to slippage in the capital programme leading to higher cash balances.

## Capital

- 12 The budget as approved by the Council at its meeting in February 2023 was set at £235.623 million and the final budget as at 31<sup>st</sup> March, 2024 was £132.619 million. Final year end spend was £59.149 million which equates to 45% spend against the latest budget and 25% spend against the original budget. Going forward in the MTFP provision has been made for a 40% optimism bias which effectively reduces the budgeted spend to allow for unavoidable slippage and correct optimism-bias on programmed spend.
- 13 The tables below show the classification of projects in the General Fund and HRA. The General Fund table highlights that a significant proportion of the capital programme (£13.0 million) relates to Housing Company loans, which is impacted by the developments of the Housing Company.
- 14 The HRA table shows that a significant element of the capital programme (£18.6 million) is a rolling programme, for example kitchen and bathroom replacements, heating and electrics etc. The other large element is the other capital spend classification which relates to acquisitions and developments.

<b>General Fund Schemes by project type 2023/24</b>				
<b>Project Classification</b>	<b>Projects</b>	<b>Latest Budget</b>	<b>Spend to Date</b>	<b>% Spent</b>
Project - Development	32	21,164,110	5,137,098	24%
Project - ICT	26	2,503,770	919,088	37%
Project - Compliance	4	1,808,148	951,940	53%
Project - Other	12	2,570,562	505,467	20%
Rolling Programme	9	5,299,449	3,272,915	62%
Housing Company Loans	2	13,043,000	3,298,620	25%
Other Capital Spend	14	13,610,050	6,828,722	50%
<b>General Fund Total</b>	<b>99</b>	<b>59,999,090</b>	<b>20,913,849</b>	<b>35%</b>

  

<b>HRA Schemes by project type 2023/24</b>				
<b>Project Classification</b>	<b>Projects</b>	<b>Latest Budget</b>	<b>Spend to Date</b>	<b>% Spent</b>
Project - Development	4	3,231,924	1,687,647	52%
Project - Compliance	1	176,802	29,781	17%
Project - Other	2	1,638,100	1,483,183	91%
Rolling Programme	23	18,594,621	12,036,597	65%
Other Capital Spend	11	48,978,262	22,997,652	47%
<b>HRA Total</b>	<b>41</b>	<b>72,619,708</b>	<b>38,234,860</b>	<b>53%</b>
<b>Overall GF + HRA Total</b>	<b>140</b>	<b>132,618,798</b>	<b>59,148,709</b>	<b>45%</b>

Capital Spend Analysis						
		Original Budget 2023/24	Latest Budget 23/24	Spend to Date	% Spent v Latest (Approved) Budget	% Spent v Original Budget
General Fund Total		116,970,650	59,999,090	20,913,849	35%	18%
HRA Total		118,652,701	72,619,708	38,234,860	53%	32%
Total Capital Programme		235,623,351	132,618,798	59,148,709	45%	25%

15 The total to be carried forward into future years is £73.541 million. Significant slippages include:

### General Fund Capital

- **Housing Delivery:- £14.4million**
  - Expenditure related to project budgets to Barton Park, OxPLace and Oxford North schemes delayed into 24/25 following a revised Business plans occurring during Q3.
- **Regeneration & Economy:- £15.184m**
  - **Oxford Flood Alleviation (HIF)** - £4.3million. Further work related to Deed of Variation on the funding agreement with Homes England required to ensure drawdown of funding and reduced risk to Council, this pushed scheme into 24/25.
  - **Blackbird Leys Regeneration** - £6.540million. Scheme delayed into 24/25.
  - **Osney Mead Path works (HIF)** - £1.398million main works will occur in 24/25
  - **Cowley Branch Line** - £0.887million – Some payments delayed into 24/25. Project still on track.
  - **New Burial Meadow** - £0.211million – Agreeing Heads of Terms with OPT delayed until May24 also slower progress with County on Planning Application.
- **Corporate Property - £3.438 million**
  - **Enabling Works – Decarbonisation** - £0.638million, most planned work delayed into 24/25
  - **Stock Condition Surveys** - £0.819million – rolling programme
  - **Asset Surveys** £0.300million – Progress on these in some way dependent on a new Asset Management System.
  - **Old Gas Works Bridge** – £0.770m – scheme delayed into Q1/Q2 24/25.
  - **Covered Market (Master Plan)** - £0.276million – scheme further delayed whilst updated essential and enabling works are determined.

- **Planned Maintenance** - £0.250million – Levels of expenditure on Planned Repairs and Maintenance and LED Lighting replacement scheme below budget set.
- **Business Improvement - £1.4million**
  - **Asset Management System** – £0.280million, scheme delayed whilst further scoping work is carried out
  - **End-point devices** – £0.249 million – rolling programme for laptops and telephony devices.
  - **ICT Feasibility & Projects** - £0.283million – some expenditure delayed into 24/25
  - **Scanning of all Planning Files** - £0.150million – transformation project delayed into 24/25

## HRA Capital

23/24 HRA Capital Schemes	Variance	Commentary
Tower Blocks	(560,387)	Payments to the principal contractor have been withheld pending satisfactory completion / rectification of works
Adaptations for disabled	(46,175)	A revised approach has been instigated to approval for the larger more costly adaptations
Structural	(138,550)	Programme has slipped
Controlled Entry Upgrades	(416,969)	Programme has slipped
Major Voids	703,518	Increase in the number of voids requiring major works due to tenants moving to new housing stock
Damp-proof works	(440,558)	Programme has slipped
Kitchens & Bathrooms	0	
Heating	0	
Roofing	(190,751)	Programme has slipped
Electrics	(11,277)	Programme has slipped
Doors and Windows	372,915	Budget to be adjusted in 2024/25 - now included under External Works
Extensions & Major Adaptions	(101,948)	Programme has slipped
Communal Areas	(728,491)	Programme has slipped
Homes at Barton	0	
Great Estates Programme	(308,157)	Programme has slipped
Energy Efficiency Initiatives	(2,984,618)	Programme has slipped
Blackbird Leys Regeneration	446,659	Budget to be adjusted in 2024/25
Barton Regeneration	(598,360)	Development Programme has slipped
Lift Replacement & Refurbishment Programme	(108,464)	Programme has slipped
Social Rented Housing Acquisitions	78,776	Budget to be combined with Acquisition of Additional Units and adjusted in 2024/25
Fire Door Installations	(80,288)	Programme has slipped
Compulsory purchase of property	0	
East Oxford development	(844,371)	Slippage due to delays with engaging a contractor.
Acquisition of Additional Units	(2,466,000)	This budget is to be combined with Social Rented Housing Acquisitions
HRA Stock Condition Survey	4,673	Budget to be adjusted in 2024/25
Properties Purchased From OCHL	(18,962,884)	Slippage due to
Kitchens	(230,353)	Underspend to be used for Kitchens & Bathrooms installed as part of Major Voids
Bathrooms	(173,733)	Underspend to be used for Kitchens & Bathrooms installed as part of Major Voids
Boilers Only	(556,695)	Programme has slipped
Heating Systems	(154,823)	Programme has slipped
Northfield Hostel	(1,760,836)	Development Programme has slipped
Lanham Way	670,796	Budget to be adjusted in 2024/25
Next Steps Accommodation Programme	(581,746)	Programme has slipped
Renewal Of Fire Alarm Panels	(147,021)	Programme has slipped
Juniper	(385,229)	Project has ceased - budget no longer required
Major Refurbishment Masons Road	(586,179)	Programme has slipped
Fencing	(850,856)	Less Demand for fencing has resulted in a significant underspend
QL Improvements	(490,000)	Programme has slipped
Southfield Park Leases	(1,500,000)	Programme has slipped
Oxford North Development	(1,156,859)	Development Programme has slipped
LAHF Acquisitions	129,549	Overspend to be funded from LAHF 2
Major Voids – Kitchens and Bathrooms	440,434	This spend will be offset by the underspends on Kitchens & Bathrooms
Climate Change	0	
LAHF 2 Acquisitions	(690,679)	Programme has slipped
SHAP Acquisitions	1,021,088	A capital budget for SHAP was approved by full council in August 2023
	(34,384,849)	

### **Financial implications**

16 All financial implications are covered in the body of this report and the appendices.

### **Legal issues**

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

### **Level of risk**

18 All risk implications are covered in the body of this report and the appendices.

### **Equalities impact**

19 There are no equalities impacts arising directly from this report.

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**Background Papers:** None

## APPENDIX A

General Fund Outturn Report 23/24 @ 31st March 2024	Approved Budget (per Budget book)	Latest Budget	Actual YTD	Variance YTD	Carry Forward Requests	Revised Actual Outturn	Final Variance
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
S13 - Housing Services	4,383	3,233	4,763	1,531		4,763	1,531
S15 - Community Safety	710	874	997	123		997	123
S22 - Community Services	4,275	4,936	4,536	(399)	25	4,561	(374)
<b>Communities &amp; People</b>	<b>9,368</b>	<b>9,042</b>	<b>10,297</b>	<b>1,255</b>	<b>25</b>	<b>10,322</b>	<b>1,280</b>
S09 - Corporate Property	(8,028)	(7,627)	(8,480)	(853)		(8,480)	(853)
S10 - Regeneration & Economy	811	982	888	(94)		888	(94)
S16 - Planning Services	349	325	465	140		465	140
<b>Development</b>	<b>(6,868)</b>	<b>(6,319)</b>	<b>(7,127)</b>	<b>(807)</b>		<b>(7,127)</b>	<b>(807)</b>
S01 - Corporate Strategy	905	893	821	(72)		821	(72)
S20 - Environmental Sustainability	945	1,148	682	(466)		682	(466)
S33 - Chief Executive	1,086	1,119	1,160	41		1,160	41
<b>Chief Executive Department</b>	<b>2,937</b>	<b>3,160</b>	<b>2,663</b>	<b>(496)</b>		<b>2,663</b>	<b>(496)</b>
S26 - Oxford Direct Services Client	13,092	11,438	7,076	(4,362)		7,076	(4,362)
<b>ODS Development Director</b>	<b>13,092</b>	<b>11,438</b>	<b>7,076</b>	<b>(4,362)</b>		<b>7,076</b>	<b>(6,362)</b>
S03 - Business Improvement	9,242	9,948	10,475	527		10,475	527
S32 - Financial Services	3,380	3,632	3,641	9	39	3,680	48
S34 - Law and Governance	2,607	2,669	2,117	(552)		2,117	(552)
<b>Corporate Resources</b>	<b>15,229</b>	<b>16,249</b>	<b>16,233</b>	<b>(16)</b>	<b>39</b>	<b>16,272</b>	<b>23</b>
<b>Directorate Total Excl SLA's &amp; Capital charges</b>	<b>33,757</b>	<b>33,570</b>	<b>29,142</b>	<b>(4,427)</b>	<b>64</b>	<b>29,206</b>	<b>(4,363)</b>
<b>SLA's &amp; Capital Charges</b>	<b>(9,632)</b>	<b>(9,632)</b>	<b>(10,605)</b>	<b>(973)</b>		<b>(10,605)</b>	<b>(6,636)</b>
<b>Corporate Accounts</b>	<b>(2,077)</b>	<b>(585)</b>	<b>(283)</b>	302		<b>(283)</b>	302
<b>Contingencies</b>	<b>3,816</b>		<b>0</b>				
<b>Total Corporate Accounts and Contingencies</b>	<b>1,739</b>	<b>(585)</b>	<b>(283)</b>	<b>302</b>		<b>(283)</b>	<b>302</b>
<b>Net Expenditure Budget</b>	<b>25,864</b>	<b>23,353</b>	<b>18,255</b>	<b>(5,098)</b>	<b>64</b>	<b>18,319</b>	<b>(10,697)</b>
S48D- Transfers To/From Earmarked Reserves	(1,271)	7,134	8,405	1,272		8,405	1,272
<b>Net Budget Required</b>	<b>24,593</b>	<b>30,486</b>	<b>26,660</b>	<b>(3,826)</b>	<b>64</b>	<b>26,724</b>	<b>(9,425)</b>
<b>Funding</b>							
S47A - External Funding	(660)	(660)	(661)	(1)		(661)	(1)
S47B - Council Tax Funding	(15,693)	(15,693)	(15,833)	(140)		(15,833)	(140)
S47C - Parish Precept	277	277	277			277	
S47D - NDR Funding	(8,517)	(14,411)	(14,411)			(14,411)	
<b>Total Funding Available</b>	<b>(24,593)</b>	<b>(30,487)</b>	<b>(30,628)</b>	<b>(141)</b>		<b>(30,628)</b>	<b>(141)</b>
<b>(Surplus)/ Deficit for the Year</b>	<b>( )</b>	<b>( )</b>	<b>(3,967)</b>	<b>(3,967)</b>	<b>64</b>	<b>(3,903)</b>	<b>(3,903)</b>

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Capital Budget and Spend as at 31st March 2024			APPENDIX B			
Cost Centre	Capital Scheme	Service Area	2023/24 Original Budget	Latest 2023/24 Budget	Spend to 31/03/24	Variation
			£	£	£	£
<b>General Fund Capital Programme</b>						
<b>Communities and People Directorate</b>						
<b>Community Services Projects</b>						
A4820	Upgrade Existing Tennis Courts	Community	35,000	256,165	147,974	108,191
A4847	Rose Hill Community Centre - Parking	Community	-	10,000	-	10,000
A4855	Leys Youth Hub	Community	-	60,830	49,435	11,395
B0075	Museum of Oxford Development	Community	-	-	43,643	(43,643)
B0083	East Oxford Community Centre	Community	4,055,039	600,802	663,079	(62,277)
B0150	Hinksey Pool Liner Replacement	Community	150,000	131,615	131,615	-
B0158	Street Sports Lighting Upgrade	Community	-	70,000	-	70,000
B0159	Redbridge Masterplan	Community	-	102,675	4,562	98,113
B0096	Bullingdon Community Centre	Community	-	52,315	(10,821)	63,136
<b>Community Services Projects Total</b>			<b>4,240,039</b>	<b>1,284,402</b>	<b>1,029,486</b>	<b>254,915</b>
<b>Housing Services Projects</b>						
B0102	Replace or refurbish Lifts	Housing Services	119,484	119,484	-	119,484
B0108	Floyds Row Refurbishment	Housing Services	-	(0)	-	(0)
C3057	Housing System Replacement	Housing Services	-	-	(400,067)	400,067
M5024	National Homelessness Property Fund	Housing Services	-	633,962	-	633,962
M5038	Roken House	Housing Services	200,000	653,411	557,855	95,556
M5039	UK Shared Prosperity Fund Invesment	Housing Services	70,000	190,000	-	190,000
<b>Housing Services Projects Total</b>			<b>389,484</b>	<b>1,596,857</b>	<b>157,788</b>	<b>1,439,069</b>
<b>Regulatory &amp; Community Safety Projects</b>						
A4845	CCTV Suite Upgrade	Regulatory &	-	-	-	-
A4852	Bodycams for Community Safety Team	Regulatory &	-	60,450	-	60,450
E3511	Essential Repairs Grant	Regulatory &	45,000	45,000	22,892	22,108
E3521	Disabled Facilities Grants	Regulatory &	1,000,000	1,543,792	1,190,043	353,749
E3557	Oxford and Abingdon Flood Alleviation	Regulatory &	-	4,470	4,470	-
E3561	Additional DFG Funding CLOSED	Regulatory &	-	-	(2,484)	2,484
<b>Regulatory &amp; Community Safety Projects Total</b>			<b>1,045,000</b>	<b>1,653,712</b>	<b>1,214,921</b>	<b>438,791</b>
<b>Oxford Direct Services Projects</b>						
R0005	MT Vehicles/Plant Replacement	Oxford Direct	5,404,800	2,188,029	1,782,354	405,675
T2273	Car Parks Resurfacing	Oxford Direct	300,000	300,000	211,308	88,692
T2309	Cowley Marsh Extension	Oxford Direct	57,000	82,326	47,667	34,659
<b>Oxford Direct Services Projects Total</b>			<b>5,761,800</b>	<b>2,570,355</b>	<b>2,041,330</b>	<b>529,026</b>
<b>Communities and People Directorate Total</b>			<b>11,436,323</b>	<b>7,105,326</b>	<b>4,443,525</b>	<b>2,661,801</b>
<b>Development Directorate</b>						
<b>Corporate Property Projects</b>						
B0100	Gloucester Green Car Park (H&S)	Corporate Property	-	71,229	499	70,730
B0031	Planned Building Improvements	Regeneration &	750,000	751,086	499,104	251,982
B0101	Capital Works at Covered Market	Corporate Property	-	7,235	6,840	395
B0104	Old Gas Works Bridges	Corporate Property	1,540,000	1,679,065	908,430	770,636
B0106	Covered Market Roof Works (Capitalised)	Corporate Property	-	397,925	234,867	163,058
B0110	Covered Market Vacant Unit Works	Corporate Property	-	-	(22,222)	22,222
B0111	Town Hall Dry Risers	Corporate Property	-	-	(63,892)	63,892
B0117	Regeneration Property	Corporate Property	-	-	(3,402)	3,402
B0124	Port Meadow Moorings	Corporate Property	-	-	-	-
B0125	City Centre Restart (CIL Funded)	Corporate Property	-	6,000	676	5,324
B0126	Asset Surveys	Corporate Property	-	300,497	497	300,000
B0136	Covered Market CCTV	Corporate Property	-	-	-	-
B0138	Enabling works - Decarbonisation Project	Corporate Property	-	660,481	21,905	638,576
B0139	SAC Feasibility	Corporate Property	-	-	-	-
B0142	Stock condition surveys (including bridge	Corporate Property	875,000	888,345	68,759	819,586
B0143	Town Hall Relocation	Corporate Property	-	192,055	168,634	23,421
B0149	Tumbling Bay Embankment Works	Corporate Property	-	32,854	17,669	15,186
B0151	Bus Shelters	Corporate Property	-	29,114	14,064	15,050
B0153	HSBC Options	Corporate Property	-	-	-	-
B0154	Covered Market masterplan and enabling	Corporate Property	2,500,000	593,609	237,005	356,604
B0155	Contingency to cover cost inflation rises	Corporate Property	1,300,000	2,000	-	2,000
B0156	Waterways - Condition Survey / Long Bridge	Corporate Property	290,000	25,000	25,342	(342)
B0157	Works Town Hall	Corporate Property	2,000,000	480,000	478,085	1,915
B0147	Repairs to 2-4 Gloucester Street and 24-	Corporate Property	270,000	616,385	617,062	(677)
<b>Corporate Property Projects Total</b>			<b>9,525,000</b>	<b>6,732,881</b>	<b>3,209,920</b>	<b>3,522,961</b>
<b>Regeneration &amp; Economy Projects</b>						
M5033	Blackbird Leys Regeneration (GF Element)	Regeneration &	8,627,284	6,736,523	182,751	6,553,772
A4853	City Wide Cycling Infrastructure	Regeneration &	87,456	70,000	38,431	31,569
B0081	Car Parking Oxpens	Regeneration &	-	3,081	-	3,081
B0086	Seacourt Park & Ride Extension	Regeneration &	-	-	3,093	(3,093)
B0092	Cave Street Development (Standingford H	Regeneration &	4,895,545	200,000	21,362	178,638
B0098	1-3 George Street	Regeneration &	-	391,475	224,742	166,733
T2301	Depot Rationalisation	Regeneration &	225,000	266,890	245	266,645
B0112	Future Options for City Centre Land	Regeneration &	160,063	53,000	258,651	(205,651)
B0141	City Centre Public Realm (Kiosks Project)	Community	320,277	190,000	128,953	61,047
B0115	Covered Market Masterplan	Community	-	-	-	-
B0116	Osney Mead Path Works (HIF)	Regeneration &	948,000	1,678,238	279,603	1,398,635
B0148	Oxford Flood Alleviation HIF Contribution	Regeneration &	4,350,000	4,350,000	-	4,350,000
B0120	Osney Bridge (Growth Deal)	Regeneration &	5,231,000	1,305,318	1,208,989	96,329
B0122	City Cycle Schemes (Growth Deal)	Regeneration &	729,764	603,415	172,082	431,332
B0145	St Michael's Street Levelling Works	Regeneration &	60,000	20,000	13,174	6,827
B0146	Ice Rink Car Parking	Community	-	49,035	22,969	26,066
B0131	Meanwhile In Oxfordshire	Regeneration &	-	5,000	3,278	1,722
B0130	CIL Feasibility	Regeneration &	-	43,350	-	43,350
B0152	Cowley Branch Line Full Busines Case	Corporate Property	3,033,000	2,194,407	1,306,981	887,426
B0074	R & D Feasibility Fund	Regeneration &	400,000	413,815	-	413,815

Cost Centre	Capital Scheme	Service Area	2023/24 Original Budget	Latest 2023/24 Budget	Spend to 31/03/24	Variation
			£	£	£	£
	Allocated Feasibility Funding (various		531,985	1,062,907	534,498	528,409
B0114	Diamond Place Redevelopment	Regeneration &	56,600	56,600	46,665	9,936
B0118	Oxford Ice Rink Development	Regeneration &	-	144,324	107,620	36,704
B0119	Oxford Station Feasibility	Regeneration &	228,363	228,363	176,800	51,563
B0128	Greenways Cycling Project	Regeneration &	106,000	53,000	13,750	39,250
B0129	Town Hall Options	Corporate Property	-	190,000	23,727	166,273
B0132	Coach Parking Feasibility	Regeneration &	20,000	10,000	-	10,000
B0133	New Burial Space	Corporate Property	121,022	380,620	165,937	214,683
	<b>Regeneration &amp; Economy Projects Total</b>		<b>29,599,374</b>	<b>19,636,454</b>	<b>4,399,801</b>	<b>15,236,653</b>
	<b>Housing Delivery Projects</b>					
M5025	Barton Park - Purchase by Council	Housing Delivery	10,000,000	6,644,000	3,281,620	3,362,380
M5026	Housing Company Loans (excl Barton	Housing Delivery	30,000,000	7,708,000	-	7,708,000
M5032	Barton Park - loan to OCHL	Housing Delivery	10,000,000	5,335,000	3,298,620	2,036,380
M5034	Affordable Housing Supply	Housing Delivery	1,086,000	128,000	-	128,000
M5035	Growth Deal Registered Provider	Housing Delivery	706,000	434,000	434,000	-
M5037	Northern Gateway (Oxford North)	Housing Delivery	9,993,538	1,157,505	4,089	1,153,416
	<b>Housing Supply Projects Total</b>		<b>61,785,538</b>	<b>21,406,505</b>	<b>7,018,329</b>	<b>14,388,176</b>
	<b>Planning Projects</b>					
T2299	Controlled Parking Zones	Planning Services	-	57,000	-	57,000
F7024	St Clements Environmental	Planning Services	-	-	-	-
F7011	Headington Environmental	Planning Services	-	-	-	-
	<b>Planning Projects Total</b>		<b>-</b>	<b>57,000</b>	<b>-</b>	<b>57,000</b>
	<b>Development Directorate Total</b>		<b>100,909,912</b>	<b>47,832,840</b>	<b>14,628,051</b>	<b>33,204,789</b>
	<b>Corporate Resources</b>					
	<b>Business Improvement Projects</b>					
C3044	ICT Software and Licences	Business	245,000	265,570	265,570	-
C3058	CRM Lagan Replacement	Business	-	50,930	2,666	48,264
C3060	End-Point Devices (Desktops/Laptops)	Business	150,000	300,676	96,309	204,367
C3062	Datacentre Upgrade	Business	-	-	-	-
C3066	Telephony Device Refresh	Business	60,000	88,334	114,644	(26,310)
C3068	Windows 2008 Server Replacement	Business	-	(120)	13,081	(13,201)
C3070	Business Process Automation Full Rollout	Business	-	-	-	-
C3072	Forms Engine Replacement	Business	-	10,158	10,800	(642)
C3077	Info@Work Enterprise Upgrade Rollout	Business	-	(1,000)	-	(1,000)
C3082	Website Redesign	Business	-	85,350	82,244	3,106
C3083	FOI System	Business	-	-	(15,750)	15,750
C3084	Agresso Update	Business	-	92,202	115,987	(23,786)
C3085	ICT - I-trent replacement	Business	75,000	75,000	-	75,000
C3086	ICT - QL Exploitation Programme	Business	80,000	154,000	191,401	(37,401)
C3087	ICT - replacing Netcall contact centre telep	Business	75,000	76,698	47,229	29,469
C3088	ICT - replacing Uniform (building control a	Business	-	-	-	-
C3089	ICT - Asset Management System	Business	300,000	300,000	18,662	281,338
C3090	ICT - Extension of existing Alemba case ma	Business	20,000	20,000	15,996	4,004
C3091	ICT - scanning of all paper planning files	Business	150,000	150,000	-	150,000
C3092	ICT - Replacement of IKEN - L&G case man	Business	75,000	75,000	7,500	67,500
C3093	ICT - Replacement of ArcGIS geospatial ma	Business	25,000	25,000	-	25,000
C3094	ICT - Information @ Work major upgrade	Business	15,000	15,000	-	15,000
C3095	ICT - Redesign of Council Website	Business	100,000	100,000	48,342	51,658
C3096	ICT - Open Revenue Cloud Migration	Business	-	-	-	-
C3097	ICT - Refresh of content and taxonomy of t	Business	25,000	25,000	3,850	21,150
C3098	ICT - Agresso upgrade and migration to Clc	Business	350,000	350,000	156,780	193,220
C6000	ICT - feasibility	Business	180,000	180,000	-	180,000
C3081	Capitalised ICT Projects	Business	468,200	688,590	585,167	103,423
	<b>Business Improvement Projects Total</b>		<b>2,393,200</b>	<b>3,126,388</b>	<b>1,760,478</b>	<b>1,365,909</b>
	<b>Financial Services Projects</b>					
M5023	OxWED Loans	Financial Services	1,150,000	-	-	-
B0144	Salary Costs across the Council to be	Financial Services	935,000	1,057,591	-	1,057,591
C3067	Paris Payment System, Replacement / PCI	Financial Services	-	-	-	-
C3078	Revs and Bens System Replacement	Financial Services	-	-	-	-
C3080	Telephony Contract Replacement	Financial Services	-	31,963	35,200	(3,237)
	<b>Financial Services Projects Total</b>		<b>2,085,000</b>	<b>1,089,554</b>	<b>35,200</b>	<b>1,054,355</b>
	<b>Law &amp; Governance</b>					
L1000	Audio & Visual Equipment	Law & Governance	-	8,887	(3,895)	12,782
	<b>Law &amp; Governance Projects Total</b>		<b>-</b>	<b>8,887</b>	<b>(3,895)</b>	<b>12,782</b>
	<b>Corporate Resources Directorate Total</b>		<b>4,478,200</b>	<b>4,224,829</b>	<b>1,791,783</b>	<b>2,433,046</b>
	<b>Chief Executive</b>					
	<b>Environmental Sustainability Projects</b>					
E3558	Go Ultra Low Oxford - On Street	Environmental	-	501,750	7,044	494,706
E3560	Go Ultra Low Oxford - Taxis	Environmental	5,215	40,076	1,750	38,327
E3563	Clean Bus Technology Grants	Environmental	-	-	-	-
E3565	Decarbonisation Fund - OCC element	Environmental	-	120,268	15,126	105,142
B0127	ZEZ Phase 1 Feasibility	Environmental	141,000	141,000	-	141,000
E3568	Leisure Centre LED Lighting Feasibility	Environmental	-	33,000	26,570	6,430
	<b>Environmental Sustainability Projects Total</b>		<b>146,215</b>	<b>836,095</b>	<b>50,490</b>	<b>785,605</b>
	<b>Chief Executive Total</b>		<b>146,215</b>	<b>836,095</b>	<b>50,490</b>	<b>785,605</b>
	<b>General Fund Total</b>		<b>116,970,650</b>	<b>59,999,090</b>	<b>20,913,849</b>	<b>39,085,241</b>
	<b>Housing Revenue Account Capital Programme</b>					
	<b>HRA - Property Services Schemes</b>					
N6384	Tower Blocks	HRA	-	731,470	171,083	560,387
N6385	Adaptations for disabled	HRA	1,156,000	1,400,000	1,353,825	46,175
N6386	Structural	HRA	1,750,000	2,000,000	1,861,450	138,550
N6387	Controlled Entry	HRA	407,522	431,939	14,970	416,969
N6388	Major Voids	HRA	560,000	800,000	1,503,519	(703,518)

Cost Centre	Capital Scheme	Service Area	2023/24 Original Budget	Latest 2023/24 Budget	Spend to 31/03/24	Variation
			£	£	£	£
N6389	Damp-proof works (K&B)	HRA	75,000	500,000	59,442	440,558
N6390	Kitchens & Bathrooms	HRA	1,450,000	-	-	-
N7057	Kitchens	HRA	-	1,130,000	899,647	230,353
N7058	Bathrooms	HRA	-	570,000	396,267	173,733
N6391	Heating	HRA	2,393,000	-	-	-
N7031	Homes at Barton	HRA	-	-	-	-
N7059	Boilers Only	HRA	-	1,938,807	1,382,112	556,695
N7060	Heating Systems	HRA	-	400,710	245,887	154,823
N6392	Roofing	HRA	700,000	799,209	608,459	190,751
N6395	Electrics	HRA	723,000	1,062,326	1,051,049	11,277
N6434	Doors and Windows	HRA	500,000	691,000	1,063,914	(372,915)
N7020	Extensions & Major Adaptions	HRA	1,345,892	400,000	298,052	101,948
N7026	Communal Areas	HRA	810,773	831,136	102,645	728,491
N7033	Energy Efficiency Initiatives	HRA	4,915,000	3,938,000	953,382	2,984,618
N7044	Lift Replacement Programme	HRA	488,899	200,000	91,536	108,464
N7048	Fire doors	HRA	2,417,594	900,000	819,712	80,288
N7049	Compulsory purchase of property	HRA	-	-	-	-
N7067	Renewal Of Fire Alarm Panels	HRA	154,000	176,802	29,781	147,021
N7052	HRA Stock Condition Survey	HRA	195,000	185,000	189,673	(4,673)
N7032	Great Estates Programme	HRA	1,851,254	400,000	91,843	308,157
N7071	Fencing	HRA	400,000	1,000,000	149,144	850,856
N7072	QL Improvements	HRA	245,000	490,000	-	490,000
N7073	Southfield Park Leases	HRA	1,500,000	1,500,000	-	1,500,000
N7074	Oxford North Development	HRA	8,355,798	8,356,000	7,199,140	1,156,859
N7075	LAHF Acquisitions	HRA	-	1,888,067	2,017,616	(129,549)
N7076	Major Voids – Kitchens and Bathrooms	HRA	-	-	440,434	(440,434)
N7077	Climate Change	HRA	-	-	-	-
N7078	LAHF 2 Acquisitions	HRA	-	963,100	272,421	690,679
N7042	Barton Regeneration	HRA	600,000	601,495	3,134	598,360
N7070	Major Refurbishment Masons Road	HRA	500,000	815,557	229,379	586,179
<b>HRA - Housing Supply Schemes</b>						
N7047	Social Rented Housing Acquisitions	HRA	-	2,600,000	2,678,776	(78,776)
N7051	Acquisition of Additional Units	HRA	2,466,000	2,466,000	-	2,466,000
N7050	East Oxford development	HRA	6,954,006	1,354,897	510,526	844,371
N7055	Use Of Recycled Capital Grants	HRA	-	-	-	-
N7054	Properties Purchased From OCHL	HRA	56,207,061	25,688,743	6,725,859	18,962,884
N7061	Northfield Hostel	HRA	13,284,172	3,124,227	1,363,391	1,760,836
N7062	Lanham Way	HRA	4,358,501	988,250	1,659,046	(670,796)
N7079	SHAP Acquisitions	HRA	-	-	1,021,088	(1,021,088)
N7068	Juniper	HRA	385,229	385,229	-	385,229
N7066	Next Steps Accommodation Programme	HRA	-	581,746	-	581,746
N7040	Blackbird Leys Regeneration (HRA)	HRA	1,504,000	330,000	776,660	(446,659)
<b>Housing Revenue Account Total</b>			<b>118,652,701</b>	<b>72,619,708</b>	<b>38,234,860</b>	<b>34,384,849</b>
<b>Grand Total</b>			<b>235,623,351</b>	<b>132,618,798</b>	<b>59,148,709</b>	<b>73,470,090</b>
					<b>% Latest Budget</b>	<b>% Original Budget</b>
					<b>General Fund Spend</b>	35%
					<b>HRA Spend v Budget</b>	53%
					<b>Total Spend v Budget</b>	45%
						18%
						32%
						25%

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## Appendix C – Housing Revenue Account (HRA)

HRA Report 23/24 @ Mar 2024	Approved Budget (per Budget book)	Revised Approved Budget @ 31st Mar 2024	Provisional Outturn	Variance
	£000's	£'000's	£000's	£'000's
Dwelling Rent	(48,344)	(48,344)	(48,404)	(60)
Service Charges	(2,194)	(2,797)	(2,767)	29
Garage Income	(228)	(228)	(272)	(44)
Miscellaneous Income	(806)	(806)	(1,100)	(294)
Right to Buy (RAF)			(23)	(23)
<b>Net Income</b>	<b>(51,572)</b>	<b>(52,175)</b>	<b>(52,566)</b>	<b>(391)</b>
Management & Services (Stock Related)	12,852	12,852	12,145	(707)
Other Revenue Spend (Stock Related)	972	972	313	(659)
Misc Expenditure (Not Stock Related)	872	872	201	(671)
Bad Debt Provision	840	840	523	(317)
Responsive & Cyclical Repairs	15,202	16,836	18,137	1,301
Interest Paid	9,517	8,620	9,567	947
Depreciation	10,133	9,998	9,998	()
<b>Total Expenditure</b>	<b>50,388</b>	<b>50,990</b>	<b>50,884</b>	<b>(107)</b>
<b>Net Operating Expenditure/(Income)</b>	<b>(1,184)</b>	<b>(1,184)</b>	<b>(1,682)</b>	<b>(498)</b>
Investment Income	(48)	(48)	(991)	(943)
<b>Total Appropriations</b>	<b>(48)</b>	<b>(48)</b>	<b>(991)</b>	<b>(943)</b>
<b>Total HRA (Surplus)/Deficit</b>	<b>(1,232)</b>	<b>(1,232)</b>	<b>(2,673)</b>	<b>(1,441)</b>

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**To:** Finance and Performance Panel  
**Date:** 18 July 2024  
**Report of:** Head of Financial Services  
**Title of Report:** Comparative Analysis – Capital Slippage

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	Brief: clearly and precisely setting out what the Committee is to approve and why.
<b>Key decision:</b>	No
<b>Cabinet Member with responsibility:</b>	Councillor Ed Turner, Deputy Leader (Statutory) and Cabinet Member for Finance and Asset Management
<b>Corporate Priority:</b>	All
<b>Policy Framework:</b>	Council Strategy 2020-24
<b>Recommendation(s): That the Committee resolves to:</b>	
1. <b>Note and comment</b> on the report and <b>agree</b> any recommendations.	

<b>Appendices</b>	
Appendix 1	Capital Programme Slippage over the last 4 years

## Introduction and background

1. The Council's capital programme has been significantly underspent over the last few years against the original budget approved by Members at February Council. Schemes are invariably slipped to the following year which invariably compounds the issue by increasing the capital programme for that year.
2. During the preparation of the Medium Term Financial Plan for the following 4 year period commencing 1-4-2024 a '40% optimism bias' was allowed for in the budget. This is a recognised adjustment to allow for the over optimism of a project management when planning and setting the budget for a capital project. The agreed budget is shown in the table below:

	2024-25	2025-26	2026-27	2027-28	2028-29
	£	£	£	£	£
<b>OPTIMISM BIAS 40%</b>					
General Fund					
Programme	77,463,794	70,018,578	73,833,075	45,436,981	10,401,040
Slippage at 40%	30,985,518	28,007,431	29,533,230	18,174,792	4,160,416
Revised programme	46,478,277	42,011,147	44,299,845	27,262,189	6,240,624
HRA - Optimism bias					
Programme	158,254,860	110,645,311	88,845,477	125,180,406	161,886,379
Slippage at 40%	63,301,944	44,258,124	35,538,191	50,072,162	64,754,552
HRA Revised programme	94,952,916	66,387,187	53,307,286	75,108,244	97,131,827
Total revised programme excluding 40%	141,431,193	108,398,333	97,607,131	102,370,432	103,372,451

## Update

3. **Appendix 1** shows the slippages on the Capital Programme over the last 4 years.
4. It would be easy to assume that slippages are caused by poor programme management, lack of planning etc., but professional opinion would be more nuanced than this in the sense that many slippages on schemes are not all within our control.
5. Salient points from this paper include:
  - Slippages of the original capital budget plus prior year slippage over the 4-year period range between 52% and 76%. Specific schemes slipped in 2023-24 previously reported in monitoring include:
    - East Oxford Community Centre (£3.4m)
    - Covered Market (£2.2m) – delays from complexity of wider asset condition survey outside of masterplan project.
    - Oxford Flood Alleviation (£4.35m) – delay in processing funding agreement.
    - Osney Bridge (£4m) – objections from Environment Agency and planning approval.
    - Cowley Branch Line (£1.7m)
    - Blackbird Leys Community Centre (£8.4m) – financial viability has been a challenge due to increasing costs.
    - Northern Gateway – Oxford North (£10m) – not been possible to agree drawdown of funds and spend of HIF grant.
    - Affordable Housing Supply (£1m)
    - Loans To OxWED (£1.1m) – delay in obtaining planning approvals.
    - Motor Vehicles (£3.6m) – delays in processing orders for vehicles due to evaluation of EV requirement.
  - Slippages on General Fund activity (excluding activities linked to OX Place) range from 49% to 79%.
  - Slippages on General Fund activity linked to loans to OX Place run at 100%. Loans to OX Place are linked to the cashflow activities of the company to meet its financial commitments to meet its development and acquisition



programme. The Council has struggled in prior years to obtain accurate forecasts of company cashflows, although improvement is expected going forward with quarterly business plan updates having been agreed with the company.

- Slippage on HRA schemes (excluding acquisition of houses from OX Place) ranges between 6% and 88%. This is directly linked to the OX Place programme and shows an increasing slippage as the year progresses. Slippage in the company programme may impact on dividend returns to the Council.

6. In conclusion, there will always be delays in development programmes whether this is with those projects in direct delivery by the Council or indirectly through the OX Place development programme, even though officers try to mitigate this. The Council has, perhaps optimistically, put a 40% optimism bias in the 4 year programme when it set its budget in February 2024. This was on the expectation that there may be an improvement in the amount of slippage; although whether this happens remains to be seen.

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**Background Papers:** None

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Appendix 1

Capital Budgets v Outturn

	20/21						21/22						22/23						23/24					
	Orig Bud	cfwd	Base	Spend	Variance	Variance	Orig Bud	cfwd	Base	Spend	Variance	Variance	Orig Bud	cfwd	Base	Spend	Variance	Variance	Orig Bud	cfwd	Base	Spend	Variance	Variance
	£m	Slippage	Budget	£m	to base	to base	£m	Slippage	Budget	£m	to base	to base	£m	Slippage	Budget	£m	to base	to base	£m	Slippage	Budget	£m	to base	to base
GF	£61,233	£10,145	£71,377	£17,020	-£44,212	-72	£61,983	£44,499	£106,482	£31,506	-£30,477	-49	£98,524	-£16,694	£81,829	£23,942	-£74,582	-76	£66,971	£2,900	£69,871	£14,263	-£52,708	-79
GF -OCHL loans	£16,595	£5,791	£22,386	£23,567	£6,972	42	£32,200	-£6,972	£25,228	£305	-£31,895	-99	£5,234	£31,895	£37,129	£0	-£5,234	-100	£30,000	£5,234	£35,234	£0	-£30,000	-100
GF - Barton Purchase	£9,869	£491	£10,360	£3,481	-£6,388	-65	£5,736	£6,388	£12,124	£2,045	-£3,691	-64	£8,455	£3,691	£12,146	£2,772	-£5,683	-67	£10,000	£0	£10,000	£3,282	-£6,718	-67
GF - Barton Loans	£9,869	£491	£10,360	£3,514	-£6,355	-64	£5,736	£6,355	£12,091	£2,059	-£3,677	-64	£8,455	£3,677	£12,132	£2,830	-£5,625	-67	£10,000	£0	£10,000	£3,299	-£6,701	-67
<b>HRA</b>																								
Other	£45,003	£6,310	£51,313	£10,248	-£34,755	-77	£79,728	£34,755	£114,483	£20,859	-£58,869	-74	£112,457	£4,265	£116,722	£15,506	-£96,951	-86	£62,445	£13,772	£76,217	£31,509	-£30,936	-50
Purchase of housing from OXPlace	£11,600	£0	£11,600	£10,950	-£650	-6	£31,419	£1,298	£32,717	£23,935	-£7,484	-24	£74,698	-£1,467	£73,231	£30,879	-£43,819	-59	£56,208	£0	£56,208	£6,726	-£49,482	-88
<b>Total</b>	<b>£154,169</b>	<b>£23,227</b>	<b>£177,397</b>	<b>£68,781</b>	<b>-£85,389</b>	<b>-55</b>	<b>£216,802</b>	<b>£86,324</b>	<b>£303,125</b>	<b>£80,710</b>	<b>-£136,092</b>	<b>-63</b>	<b>£307,823</b>	<b>£25,366</b>	<b>£333,189</b>	<b>£75,929</b>	<b>-£231,894</b>	<b>-75</b>	<b>£235,624</b>	<b>£21,907</b>	<b>£257,530</b>	<b>£59,078</b>	<b>-£176,546</b>	<b>-75</b>

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Finance & Performance Scrutiny Panel – KPI Performance report March 2024

Measure	Name	Owner	Year End Target	Year End Actual	Comments
BI038	Percentage of staff turnover for the whole organisation	Helen Bishop		14.02%	
CH001	Days lost to sickness	Gail Malkin	6.5	6.87	
53 CS003	Customers calls answered on the council's main telephone service lines without hanging up	Mark Chandler	93%	88.3%	<p>From June through to October 2023 the revs/bens team were sending out letters to check benefit entitlements. They sent over 10,000 letters out to check single person discount entitlement throughout this period which significantly impacted on the call demand in the Contact Centre generating an increase in queries. In comparison to the previous year there were an additional 3103 council tax calls received between June - October 23. The summer months are our most challenging with holidays maxed out and with this additional call demand we did not have the resources to cope</p> <p>In addition we were 4 officers under resourced throughout most of the summer as due to budget pressures there was a delay from Finance in signing off replacements. And by the time we had recruited and trained new officers we were almost at the end of the summer impact period</p> <p>Our performance improved significantly from November onwards to the end of the year as we hit the 93% answered call rate target almost every month. However, it was the impact between June-October that meant we were unable to get close to achieving the 93% answered call rate target for the year.</p>

Measure	Name	Owner	Year End Target	Year End Actual	Comments
FSC003	Council spend with local business (excluding ODS and OCHL)	Nigel Kennedy	40%	28.76%	It was agreed that this measure would be changed to include payments to ODS and OCHL (they are both local). If we include all spend with ODS and OCHL into the Local spend the percentage increases to 72%. A more detailed measure, that only includes the Council, ODS and OCHL spend with local businesses, is proposed as a Corporate KPI going forwards for the 2024-28 Council Strategy period.
BI001b	The Percentage of ODS spend with local business	Nicky Atkin	55%	59.17	
BV008	Percentage of invoices paid on time for OCC	Nigel Kennedy	95%		Data currently unavailable due to issue with Smartsheet
CS002	Time to process changes in circumstances	Laura Bessell	15 days	13 days	Within corporate target and a outperformance for the year.
CS005	Time to process new benefits claims	Laura Bessell	15 days	19 days	Just over the target of 15 days. Delays are due to volume of new claims relating to temporary accommodation increase in demand.
FN008	Investment return above base rate	Bill Lewis	0.001	0.001	
FN034	Trading Income	Scott Warner	220000	£229,893	Target exceeded due to a combination of renewed contracts, new client business and a healthier margin from delivery of the 2023 Oxford Annual Fraud Conference in November.
FN036	Fraud Losses Prevented	Scott Warner	2200000	£5,764,761	Prevention target was achieved by the end of Q2.
FN052	Percentage of Council spend with SME's	Annette Osborne	45	67.42	On target

Measure	Name	Owner	Year End Target	Year End Actual	Comments
FSC019a	Total income collection as % of plan (Council Tax)	Nigel Kennedy	96.5%	95.56	Challenging year for collection. Total revenues across all years meets the budgetary requirements but in year collection did not meet target. Exceeded last year's collection rates and is the highest level for 4 years.
FSC019b	Total income collection as % of plan (Business Rates)	Nigel Kennedy	95%	96.62	Challenging year for collection. Total revenues across all years meets the budgetary requirements but in year collection did not meet target. Exceeded last year's collection rates and is the highest level for 3 years.
FSC020	Discretionary funding won by the Council	Nigel Kennedy	n/a	£2.426m	£1.3 million youth investment funding, local authority housing fund (LAHF) £1.1 million 6 new homes for Ukrainian and Afghan refugees families, £26k biodiversity net gain (DEFRA).
CG003	Percentage of Data Subject Access Requests responded to within deadline	Grace Wigham	95%	100%	
CPC017	Oxford residents' satisfaction with City Council services	Mish Tullar	N/A	52%	This is an annual survey, conducted last in September 2023, with results published in December 2023. As it used a new methodology, the results should not be compared with the previous 2017 survey. However, it is perhaps worth noting that Oxfordshire County Council conducted its own Residents Survey at around the same time and achieved a satisfaction rating of 40%
CSC012	Physically active adults	Hagan Lewisman	76	85.60%	This is data from the 2021-22 Active Lives report (the most up to date report) and includes adults who are Active (150+ minutes a week) - 74.4% and fairly active (30-149 minutes a week) - 11.2%.

Measure	Name	Owner	Year End Target	Year End Actual	Comments
RS005	Number of cases in the private rented sector, where homelessness prevented following intervention by the Tenancy Relations Officer	David Butler	120	169 year to date	
56 HSCO23	Number of rough sleepers without an offer of accommodation	Nerys Parry	30	32	At the end of March 2023, 39 individuals were estimated to be sleeping rough in the city on a single night. 32 of these individuals did not have an accommodation offer. This is an increase from 23 at the end of Q3, and highest since July 2023. We have seen an increase in the number of individuals new to rough sleeping in the city over the quarter, which contributes to this increase. We have a good offer in place for persons new to rough sleeping through the Somewhere Safe to Stay (SStS) service and a large proportion of the individuals new to rough sleeping have only been seen sleeping rough once, before being assisted to find alternative solutions. The largest group of people rough sleeping in the city continues to be long term rough sleepers or those returning to rough sleeping. Access to supported accommodation for this group continues to be difficult, with long waiting lists. We are working to improve referral and access criteria for supported accommodation to address this challenge. We also continue to see people with no recourse to public funds and options for this group remains limited, our outreach team continue to work with other support agencies to support these individuals. Over the last few months, there has been a steady increase in



Measure	Name	Owner	Year End Target	Year End Actual	Comments
					the number of individuals rough sleeping due to being asked to leave Home Office accommodation in the city. The outreach team works with all relevant agencies, including the 2-weekly multi-agency meeting, to engage of offer support to these individuals. There is also dedicated support from other agencies such as Asylum Welcome and our own Options Team for individuals being asked to leave Home Office accommodation.
57 HSC014	Percentage of council owned stock that has an EPC below C	Nerys Parry	N/A	25%	At the end of the financial year 25% of Council Owned Housing Stock has an EPC rating below C (or 75% with an EPC of C or higher), this percentage has been taken from stock with a lodged EPC. 13% of our homes do not currently have an EPC lodged so they have been excluded from this calculation, as our stock conditions survey programme continues, we will have a better understanding of stock condition across a larger proportion of our stock, including lodged ECPs for this 13%. As stock condition surveys have been completed throughout the year, our results for this target show a slight reduction from.
HP011	Households in temporary accommodation	Nerys Parry	120	247	At the end of March 2023, we had 247 households in Temporary Accommodation (TA). In 2023/24 we made a total of 490 placements in TA, this is compared to a total of 228 in 2022/23 and 181 in 2021/22 and shows the significant increase in demand we have seen over the last 12 months. The main causes of homelessness at the relief stage throughout 2023/24 were, end of PRS tenancies, evictions from family accommodation and domestic abuse, followed by evictions from Home Office

Measure	Name	Owner	Year End Target	Year End Actual	Comments
58					<p>accommodation. The last few quarters saw an increase in evictions from Home Office accommodation, which is impacting on TA and rough sleeping numbers. To ensure that we can meet the increase TA demand and reduce the use of costly nightly charge accommodation, we are;</p> <ul style="list-style-type: none"> <li>- Continuing procure further Private Sector Leasing units</li> <li>- Increasing our staffing levels to extend our homeless prevention efforts</li> <li>- Expanding the size of our temporary accommodation stock by utilising Council-owned homes differently</li> <li>- Increasing the supply of housing going to homeless families</li> <li>- Continuing to explore long term capital investment programmes to increase overall TA stock.</li> </ul>
BIC018	% staff from ethnic minority groups	Helen Bishop	15	14.6%	<p>Action we are taking in the year ahead is to introduce more inclusive recruitment practices and inclusive recruitment training for recruiting managers. This is to build on progress we have made in increasing the diversity of applicants through extending the reach of advertising. We are also working to build a more inclusive culture so that people feel a sense of belonging, no matter who they are, and therefore choose to stay. We will do this through work on lunch and learn sessions, building staff networks and EDI training for all staff. A longer-term initiative is a positive action development programme to start building talent for future manager and</p>

Measure	Name	Owner	Year End Target	Year End Actual	Comments
					<p>leader positions to improve diversity at this level. This will also act to support retention and sends out a message that the organisation is committed to being more representative of the communities it serves.</p>

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