

# Appendix A Corporate Integrated Report Q2 2013/14

## Financial Performance

General Fund



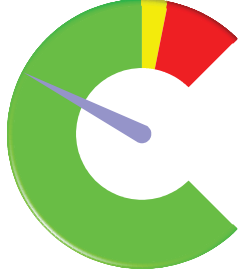
Budget: £23,705,000  
Forecast: £21,443,000  
Variance: £-2,262,000  
Prev Qtr: £23,895,000  
Movement: £-2,452,000

HRA



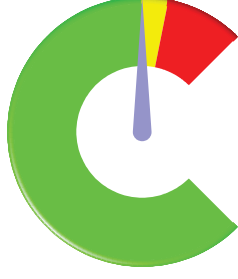
Budget: £187,000  
Forecast: £608,000  
Variance: £421,000  
Prev Qtr: £186,000  
Movement: £422,000

Capital



Budget: £42,748,321  
Forecast: £30,859,000  
Variance: £-11,889,321  
Prev Qtr: £37,571,000  
Movement: £-6,712,000

Efficiencies



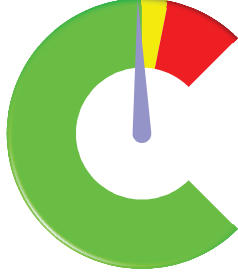
Budget: £-1,320,000  
Forecast: £-1,320,000  
Variance: £0  
Prev Qtr: £-1,320,000  
Movement: £0

Employees



Budget: £45,346,000  
Forecast: £45,509,000  
Variance: £163,000  
Prev Qtr: £45,346,000  
Movement: £163,000

Supplies and Services



Budget: £22,506,250  
Forecast: £22,326,231  
Variance: £-180,019  
Prev Qtr: £23,379,000  
Movement: £-1,052,769

## Performance Summary

Priority	No Data	Red	Amber	Green
Vibrant and Sustainable Economy	0 (0%)	1 (25%)	0 (0%)	3 (75%)
Meeting Housing Need	0 (0%)	2 (33%)	1 (17%)	3 (50%)
Strong and Active Communities	0 (0%)	1 (33%)	1 (33%)	1 (33%)
Cleaner Greener Oxford	0 (0%)	0 (0%)	1 (20%)	4 (80%)
An Efficient and Effective Council	0 (0%)	0 (0%)	0 (0%)	4 (100%)
<b>Total</b>	<b>0 (0%)</b>	<b>4 (18%)</b>	<b>3 (14%)</b>	<b>15 (68%)</b>

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

## Direction of Travel

Priority	No Data	Declining	No Change	Improving
Vibrant and Sustainable Economy	0 (0%)	2 (50%)	1 (25%)	1 (25%)
Meeting Housing Need	0 (0%)	0 (0%)	1 (17%)	5 (83%)
Strong and Active Communities	0 (0%)	0 (0%)	2 (67%)	1 (33%)
Cleaner Greener Oxford	0 (0%)	2 (40%)	1 (20%)	2 (40%)
An Efficient and Effective Council	0 (0%)	1 (25%)	1 (25%)	2 (50%)
<b>Total</b>	<b>0 (0%)</b>	<b>5 (23%)</b>	<b>6 (27%)</b>	<b>11 (50%)</b>

## Risk Management

Ref:	Category	Description	Previous		Current		Trend	Declined to red?
			P	I	P	I		
CRR-019	ICT Resilience	Resilience of ICT function - managing projects and improvements alongside business as usual	3	4	3	4	↗	
CRR-022	Welfare Reform	Changes to legislation regarding Welfare Reform will impact financially, directly and indirectly on the Council	3	4	3	4	↗	
CRR-023	Managing Capital Projects and Contract Management	The need to ensure efficient management of capital projects and contracts	3	4	3	4	↗	
CRR-020	Robustness of Medium Term Financial Plan	Medium Term Financial Plan savings not delivered and pressures not accurately recorded	3	3	3	3	↗	
CRR-024	Emergency Planning and Business Continuity	Failure to ensure Emergency Planning and Business Continuity procedures are in place, tested and robust	3	3	3	3	↗	
CRR-025	Health & Safety of People	Health & Safety of People	3	3	3	3	↗	
CRR-026	Health & Safety of Property	Health & Safety of Property	3	3	3	3	↗	
CRR-027	Fraud	Risk of fraud against the council	3	3	3	3	↗	
CRR-028	Data Protection	Risk of breaching the Data	3	3	3	3	↗	

## CORPORATE SUMMARY

### 1 OVERALL SUMMARY POSITION

The GF financial position of the authority does appear to be suitably robust at the moment, enhanced by the asset transfer initiative. HRA activity continues to be strong with significant spend earmarked in forthcoming financial years. The major concern is again delivery of capital projects as significant re-phasing of schemes have had to be undertaken. Whilst many reasons are deemed to be external to the organisation better planning of spend is nonetheless a focus for the authority moving forward.

The delivery of capital projects is an identified corporate risk and progress in mitigating the internal causes of these delays is something that is being addressed. Improvements in understanding and planning for external influences that impact on delivery are however needed.

Slippages in capital spend, particularly those associated with new affordable housing has similarly impacted on the corporate performance indicator of Meeting Housing Need.

### 2 FINANCE OVERALL

#### General Fund

The financial position is looking particularly favourable resulting from a variety of factors that have reduced the original budgeted net spend for the year down by approximately £3m. This is summarised as follows;

Activity	£m
Net impact of HRA asset transfers (transferred to Reserves)	1.322
Service Areas Variance against Latest Budget	0.050
Local Cost of Benefits	0.342
Additional Interest from Internal Borrowing (updated rates)	0.371
Additional Investment Income (increased cash balances)	0.196
Reduced Risk Contingency (actioned in August 2013)	0.800
<b>Total</b>	<b>3.081</b>

## HRA

The HRA outturn position has changed significantly as a result of the asset transfers and updated HRA Business Plan financial assumptions as approved by CEB on 11 September 2013.

As such much of the changes reported were predicted. However, a further review of the internal interest rate to be applied for historic HRA borrowing suggests that a further expenditure adjustment of £371k is required for the HRA, with the respective credit to the GF part of the favourable analysis shown above.

Over the medium term the HRA is planning to embark on some ambitious capital spend, particularly for new affordable housing, Tower Blocks and Estates Regeneration.

## Capital

Significant reductions in capital spend forecasts have been reported as at Q2. Appendix E1 details the authority's programme by service area and highlights the main areas of re-phasing.

It should be noted that performance in this area is not being hampered by capacity issues but primarily rather external factors outside of the Council's control.

## Efficiencies

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

### 3 PERFORMANCE OVERALL

**Overall the Council's performance against its corporate targets is good** with 16 (72%) delivering as planned. Three (14%) are below target but within acceptable tolerance limits, and three (14%) are off target. Exceptions to targeted performance are set out in the section below.

Quarter 2 compares favourably with Quarter 1 where 15 (68%) of targets were achieved or exceeded and four (18%) were off target.

#### Corporate Performance indicator Exceptions

##### **Red:**

**Vibrant and Sustainable Economy:** The number of training places and jobs created through Council investment projects - September performance of 315 is currently behind its profiled target of 350 largely due to delays in commencing the competition pool construction. September data includes 14 on-site jobs, and arrangements are in hand to collect monthly reports from all major construction contracts.

**Meeting Housing Need:** Capital investment in Council housing - Capital investment programmes relating to the Council's own stock are going well and are anticipated to achieve full spend by year end. There are some profiling issues relating to the spend on new Council Housing from the AHP

programme and Barton development but both will deliver the outputs in terms of numbers of new housing within the agreed overall timescales.

**Meeting Housing Need:** Number of affordable homes for rent delivered - Completion of 4 units at Balfour Road is anticipated in October, which will meet the annual target for this measure

**Amber:**

**Meeting Housing Need:** Number of new rough sleepers spending a second night on the streets - The rough sleeper count in August counted three new rough sleepers spending a second night on the street. The total count was 14 (9 of which were new to rough sleeping).

**Strong and Active Communities:** September performance was recorded as 3,972 against a profiled target of 4,000. More recent data shows that this target is on track to be met by the end of the year.

**Cleaner Greener Oxford:** The number of enforcements carried out as a result of environmental offences - Performance for September is 450 against a profiled target of 498. September was a month of ground work for the Rose Hill Cleaner, Greener campaign and Cowley Road trade waste operation. October's mid-month figures are already at September's level and the Rose Hill campaign commenced on the 14th which will generate more enforcement activities. This improved performance should be reflected in the quarter 3 report.

#### 4 RISK OVERALL

##### Corporate Risk Exceptions

The Corporate risk register has been reviewed thoroughly since the first quarter of the year and this has now identified three red risks. These are in relation to: resilience of the ICT function; changes to legislation regarding Welfare Reform and the need to ensure efficient management of capital projects and contracts. Each of these risks has been allocated with a number of mitigating actions, which heads of service are proactively managing to reduce the risk.