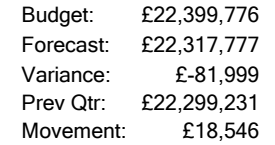


Financial Performance



Risk Management

	No Data	Red	Amber	Green
Previous Quarter	0 (0%)	5 (23%)	1 (5%)	16 (73%)

Direction of Travel

Total	0 (0%)	5 (23%)	5 (23%)	12 (55%)
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CRR-021	Adverse Weather	The impact of adverse weather on service delivery and adverse financial impact	2	4	3	2	↑	
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CORPORATE SUMMARY

1 OVERALL SUMMARY POSITION

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

The delivery of capital projects is an identified corporate risk and progress in mitigating the internal causes of these delays is something that is being addressed, including the introduction of a new capital gateway process.

2 FINANCE OVERALL

General Fund

The outturn is looking favourable resulting from a variety of factors that have allowed year end transfers into earmarked reserves of £5.371m. This is summarised as follows:

	£m
Service Variances	1.004
Net Interest Receivable arising largely from increased interest on HRA internal borrowing	0.679
Corporate Budgets (i.e. Inflation on Utilities, minimum revenue provision, recharges and capital charges)	0.530
Corporate Contingencies for redundancy & homelessness	1.974
Increased surplus arising from HRA non-dwelling asset transfer	1.322
Funding Variance in NNDR and RSG	(0.138)

	5.371
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The transfers proposed to be made to earmarked reserves at year-end are:

	£m
Partnership payments	0.200
Flooding Provision	0.200
Capital Financing	4.320
Indirect Property Fund Reserve	0.401
Contribution towards Gladiators Purchase	0.250
	5.371

HRA

The HRA outturn position shows a surplus of £0.302 million after making a transfer to the HRA Projects Reserve of £7.772 million. It is important to note that “significant” changes have occurred during the year and reflected in this position in response to large slippages in the new build capital programme that is predominately funded from revenue. Furthermore, Right to Buy (RTB) disposals and in-year revenue spend associated with capital schemes have required budget movements, as well as the large budget implications arising from both the cash and non-dwelling asset transfers approved by CEB in September 2013. It is these changes that have resulted in the ability to make such a large contribution to earmarked reserves.

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

Capital

The total Capital Programme expenditure for 2013/14 was £11.121 million on the General Fund and £10.882 million on the HRA giving a total spend of £22.003 million.

The Capital Programme for 2014/15 is £62.124 million, after capital slippage is taken into account compared to an outturn spend of £22.003 million for 2013/14. The original total capital budget for 2013/14 was £44.279 million, revised during the year to £23.736 million; there is slippage against the reduced total capital budget of £1.991 million. There is therefore a potential risk of lack of capacity to deliver this higher level of capital programme in 2014/15.

The Council is in the process of implementing a Capital Gateway process which will closely track the delivery of capital projects against some predefined criteria. It is anticipated that this process will contribute towards the potential risk of future capital programme delivery.

Efficiencies

The Council's budget identified £1.320million of efficiencies, £0.183 million of service reductions and £1.682million of additional fees and charges for 2013/14. As at the end of the financial year the Council achieved £3.430 million in efficiency targets, service reductions and additional fees and charges..

3 PERFORMANCE OVERALL

Overall the Council's performance against its corporate targets was good with 17 (77%) delivering as planned and five (23%) not meeting their target. Exceptions to targeted performance are set out in the section below

Corporate Performance indicator Exceptions

Red:

Vibrant and Sustainable Economy: The number of training places and jobs created through Council investment projects - end of year performance of 287 missed its target of 586 largely due to delays in the build of the Competition Pool and the commencement of the Affordable Homes Project. The calculation being done by the construction contractor had also missed some posts and had not been counted. This has been rectified for 2014/15 and all key major construction projects have within them a requirement for the contractor to provide monthly updates on the number of local jobs and apprentices recruited.

Vibrant and Sustainable Economy: Achieve results for Oxford city schools that are 10% above the national average for KS2 by April 2015 - the most recent results issued in December were 62% against a target of 68%. It is too early to be definitive about the success of this scheme which will become evident with the KS2 results late in 2014. However, reports on progress with the scheme and in classroom results give us confidence that we will achieve the targets. A review of education attainment is currently underway.

Meeting Housing Need: Capital investment in Council housing - Spend of £10.88 million missed the target of £19.054 million as a result of over optimistic profiling of the Affordable Housing Programme new build. The delivery of the additional 113 new units continues to be on track for delivery of the overall programme by March 2015. The remainder of the housing programme was broadly on schedule.

Meeting Housing Need: Number of new Rough Sleepers spending a second night on the streets -End of year performance for 2013/14 was from a rough sleeper count in February 2014 which counted 8 new rough sleepers spending a second night on the street against an ambitious target of zero. The total count was 15.

Strong and Active Communities: Satisfaction with our neighbourhoods - The results of the Spring 2014 Talkback Panel survey were available in late March. Top-line results show that resident satisfaction has improved from 83.7% to 87%, just missing the target of 89%. Of the top three areas that most need improvement (road and pavement repairs, traffic congestion, and affordable decent housing), it is housing that is the most important to the

respondents. A further action plan is in process of being developed with CMT.

4 RISK OVERALL

Corporate Risk Exceptions

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

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