

CORPORATE SUMMARY

1 OVERALL SUMMARY POSITION

- 1.1 The overall financial position on the General Fund as at the end of December 2015 is showing a net underspend of £0.444 million. Key variances are £0.195 million underspend in the Assistant Chief Executive's area due to expenditure plans associated with the Educational Attainment budget still being defined; £0.500 million underspend in Direct services due to underspends on fuel cost and increased car parking income; £0.149 million overspend in Planning & Regulatory due to income targets not being met across the service and £0.106 million overspend in Housing & Property due to overspends on Home Choice payments, repairs on Community Centres and caretaking costs. The Housing Revenue Account is forecast to have a net overspend of £0.273 million. The Capital Programme is forecast to spend less than budget by £5.146 million.
- 1.2 Of the corporate performance targets, 14 (74%) are being delivered as planned, 2 (10%) are below target but within acceptable tolerance limits and 3 (16%) are not meeting their target.
- 1.3 There is one red corporate risks which is detailed below.

2 FINANCE OVERALL

General Fund

- 2.1 The forecast General Fund outturn as at the end of Quarter 3 shows service expenditure £0.484 million under budget.

Corporate Budgets

- 2.2 At the time the interest income budget was set, interest rates were predicted to rise throughout 2015/16. This has not happened and current forecasts are that there will be no rise in the Base Rate until the first quarter of 2017 at the earliest; hence there is a pressure of £0.040 million.
- 2.3 This quarter is reporting a favourable variance of £0.484 within service expenditure and together with the £0.040 million underachievement of investment income result in an overall corporate variance of £ (0.444) million.

Housing Revenue Account (HRA)

- 2.3 The Housing Revenue Account (HRA) outturn is expected to be an overspend of £0.273 million as at Q3. More detail is contained in Appendix D2.

Capital

- 2.4 The Capital monitoring position as at 31st December 2015 is shown in more detail at Appendix F2. The forecast outturn shows a net variance of £(5.146) million. Key variations are detailed below: -

General Fund movements due to slippage

- i. Bridge over fiddlers stream - £0.223 million
- ii. Flood Alleviation at Northway and Marston - £2.481 million
- iii. General Fund movements due to under/(over)spends
- iii. Investment Purchase - £1.4 million underspend in year ahead of further approval for future years
- iv. Disabled facilities grant – (£0.015) million
- v. CCTV to speedwell street – (£0.040) million
- vi. Blackbird Leys leisure centre improvements - £0.116 million
- vii. Cutteslowe Lower pavilion - £0.098 million
- viii. Various car parking projects - £0.260 million

HRA movements due to slippage

- ix. Rose Hill Community Centre - £0.175 million

- x. Great Estates - £0.448 million

Savings and Efficiencies

- 2.5 The Council's budget identifies £1.228 million of efficiencies, £0.526 million of service reductions and £1.368 million of additional fees and charges for 2015/16; a total of £3.122 million savings and efficiencies. As at the end of December it is anticipated that all savings and efficiencies will be delivered.
- 2.6 Cumulative efficiencies, service reductions and additional fees and charges achieved as at the end of December were £2.339 million.

3 PERFORMANCE

- 3.1 **Overall the Council's performance against its corporate targets is Good** with 14 (74%) being delivered as planned, 2 (10%) below target but within acceptable tolerance limits and 3 (16%) not meeting their target. Exceptions to targeted performance are set out below:

Corporate performance indicator exceptions

Red:

- 3.2 **Vibrant and Sustainable Economy:** The number of training places and jobs created as a result of Council investment and leadership – current performance is 464 jobs and training places against a third quarter target of 519. We are expecting to see a positive increase in this target when the contract for the refurbishment of the Tower Blocks commences in January 2016.
- 3.3 **Vibrant and Sustainable Economy:** The number of Council apprenticeships created through Council investment for those who live in Oxford – There are a total of 19 apprentices in post at present, of which 6 are from Oxford against a total of 26. Numbers have dropped due to the ebb and flow of apprentice in various stages of their training. Two more have been appointed since December.
- 3.4 **Meeting Housing Need:** The number of people estimated to be sleeping rough – the annual estimate in November 2015 saw an increase from 43 to 56 against a target of 45. This is due to a number of factors; a lack of move-on from the hostel system into the private rented sector and social housing and changes to the benefit system impacting EEA national in particular. Initiatives such as Real Lettings and the ethical landlord model are being developed to try and tackle these issues.

Amber:

- 3.5 **Efficient and Effective Council:** The delivery of the Council's efficiency savings – savings to date are £2,339,000 and marginally under the December target of £2,341,500. This target is expected to be achieved by the end of the year.
- 3.6 **Meeting Housing Need:** The percentage of estimated HMOs in the City that are licenced – performance is at 71% against a December target of 73%.

4 RISK

Red:

- 4.1 The Corporate risk register was reviewed in the first quarter of the year and then updated to include one red risk relating to HRA Business Plan Delivery following the announcements contained in the Chancellor's Summer Budget in July which have significant ramifications for the Council's Housing Revenue Account.

Amber:

4.2 There are four amber risks identified on the Corporate Risk Register relating to:

- resilience of the ICT function due to a number of projects running concurrently and limited resources, however this is being mitigated with additional project resources;
- the risk of the potential reduction in funding to our partners;
- recruitment and retention issues meaning that key posts are left vacant or filled with temporary staff;
- Medium Term Financial Plan savings – this is anticipated to change to green once the final budget report is approved during Q4.

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