

23rd January 2024 CABINET REPORT

BUSINESS MANAGEMENT AND MONITORING REPORT November 2023

Report by the Executive Director of Resources & Section 151 Officer

RECOMMENDATION

1. The Cabinet is RECOMMENDED to

- a) note the report and annexes.
- b) note the virements in Annex 2b

Executive Summary

2. The business management reports are part of a suite of performance, risk and budget documents which set out the council's ambitions, priorities, and financial performance. The [2022 – 2025 Strategic Plan](#) sets out the Council's ambitions. It also shows our priority activities for the current financial year.
3. This report presents the November 2023 performance, risk, and finance position for the council.
4. Further information is provided in the following annexes to the report:

Annex A: Performance as at November 2023

Annex B: Finance as at November 2023

5. The performance section of this report concentrates on performance exceptions (measures reporting Red (off target), or Amber, (slightly off target, Amber for the last two consecutive months or more). The full performance report is included at Annex A.

Performance Overview

6. The Outcomes Framework for 2023/2024 reports on the council's nine strategic priorities. A further priority relates to running the business and includes the customer contact centre and measures included in the council's Financial Strategy. The Outcomes Framework which sits underneath the strategic priorities comprises monthly, quarterly, termly, six monthly and annual measures which may change as we progress through the year. At the appropriate period, relevant measures will be included in the report.

7. As at the end of November 2023 the indicators were rated as follows:

November 2023	Green		Amber		Red		Monitoring Only/Data Unavailable		Total
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	
Monthly	30	64%	5	11%	7	15%	5	10%	47

Annual (Nov)	0	0%	0	0%	1	100%	0	0%	1
Total	30	63%	5	10%	8	17%	5	10%	48

Table 1: Summary of November 2023 performance for all measures. RAG = Green = meets or exceeds target, Amber = misses target by narrow margin and Red = misses target by significant margin.

8. A total of 48 measures reported in November 2023 (Table 1) 47 monthly measures and one annual measure OCC05.07 Public satisfaction in the condition of highways.
- 30 (63%) of the measures were reported as Green (meeting or exceeding target) in November.
 - 5 (10%) were rated as Amber (misses target by narrow margin), of which were Amber or Red for 2+ months.
 - 8 (17%) were rated as Red (misses target by a significant margin).
9. This bi-monthly Cabinet report is the fourth of 2023/2024. The table (Table 2) below compares monthly measures for the 2023/2024 reporting year, please note the numbers of reported measures fluctuates throughout the year.

Reporting Month	Green		Amber		Red		Monitoring Only/ Data Unavailable		Total
	Count	%	Count	%	Count	%	Count	%	
April 2023	12	38%	5	16%	4	12%	11	34%	32*
May 2023	27	61%	6	14%	4	9%	7	16%	44
June 2023	17	52%	6	18%	4	12%	6	18%	33*
July 2023	27	57%	8	17%	7	15%	5	11%	47
August 2023	18	56%	4	13%	4	13%	6	19%	32
September 2023	26	60%	6	14%	5	3%	6	19%	43
October 2023	19	59%	5	16%	2	6%	5	16%	32
November 2023	30	64%	5	11%	7	15%	5	10%	47

Table 2: Comparison of monthly reporting measures for Financial Year 2023/2024. *April, June, August and October 2023 do not include measures from priority OCC11 (finance).

10. Table 3 lists the eight measures reporting as Red at the end of November 2023. Full details can be found in Annex A.

Performance measures reporting Red for November 2023 (Eight Measures)
OCC05.07 Public satisfaction in the condition of highways
OCC07.03 Number of multi-agency strength and needs assessments completed in Oxfordshire
OCC07.04 Increase the % of children in foster care
OCC11.02 Achievement of planned savings
OCC11.03 General balances are forecast to remain at or above the risk assessed level
OCC11.04 Directorates deliver services and achieve planned performance within agreed budget

OCC11.06 Total Outturn variation for DSG funded services (high needs)
OCC11.11 Debt requiring impairment - ASC contribution debtors

Table 3: Red RAG Status Measures November 2023 Reporting Period.

11. This table indicates the direction of travel of measures compared to October (monthly) 2023.

Status changes – October 2023 to November 2023	
Red to Green	N/A
Amber to Green	N/A
Red to Amber	N/A
Green to Amber	N/A
Amber to Red	OCC07.03 Number of multi-agency strength & needs assessment completed in Oxfordshire
Green to Red	OCC11.06 Total Outturn variation for DSG funded services (high needs)

Table 4: Change in Performance across October 2023 to November 2023.

Performance Exceptions

12. This section of the report details all measures reporting Red or Amber status (consecutive for two months or more) with extracted supporting commentary from the Directorate, the full commentary can be seen at Annex A. The exception report focusses on the 14 exceptions, nine measures that have a Red rating and the five measures that have reported an Amber rating for 2+ months.

13. Priority OCC01: Put action to address the climate emergency at the heart of our activities.

This priority has two measures being reported in November 2023: one Green and one Amber.



Figure 1: Priority OCC01 Monthly performance for 2023/2024 financial year

Measure:	August Status:	November Status:	Director:
OCC01.07 Total % of household waste which is reused, recycled or composted	Amber	Amber	Bill Cotton

Table 5: Priority OCC01 Measure Exceptions - November 2023

OCC01.07: This month's figure of 57.43% is small decrease from October's 57.52%. The measure has fluctuated between an amber and red rating for the entire reporting year. The decline in recycling rates has been attributed to a lack of cooperation between the district councils and OCC. Government waste policy changes which could have a significant impact on this measure are anticipated, but Defra has repeatedly delayed these. This is a national issue affecting all local authorities.

In these circumstances local authorities nationally have been unable to commit investment in significant changes in collection services. Locally, campaign work to inform residents and encourage behaviour change is continuing. For example, our

Christmas campaign this year is focussing on food waste reduction based on the principles of 'plan, shop, store, eat.'

14. Priority OCC04: Support carers and the social care system

This priority has eight measures being reported in November 2023: four Green, two Amber and two monitoring only.



Figure 2: Priority OCC04 Monthly performance for 2023/2024 financial year

Measure:	August Status:	September Status:	Director:
OCC04.04 % of residents aged under 65 receiving ASC who manage their care by using a direct payment	Amber	Amber	Karen Fuller
OCC04.05 % of older residents who receive long term care and are supported to live in their own home	Amber	Amber	Karen Fuller

Table 6: Priority OCC04 Measure Exceptions - November 2023

OCC04.04: There has been an increase of 0.03% compared to last month's figure. Although this has been amber for two consecutive months, the service reports that only 6 people would need to transfer to direct payments in the year to be on target.

There are 3 key actions to stabilise this measure:

1. Review of individual team performance at the monthly performance board
2. The Adult Social Care forum asks if a Direct Payment has been considered for each new service recipient and we use this data to understand barriers to uptake of direct payments.
3. Increased communications to teams to actively promote direct payments.

OCC04.05: A minor increase of 0.10% from last month having faced three months of minor decreases. The measure remains amber, as it has been for every reporting month this year.

The service reports that the number of older people supported to live at home continues to increase, as does the number of hours of support provided overall. The number of older people supported to live at home is 1.3% more than 12 months ago, compared to a 0.65% increase in people in care homes.

Performance is marginally below the 60% target, but the service expresses this is not a significant concern as some fluctuation is expected.

15. Priority OCC05: Invest in an inclusive, integrated and sustainable transport network.

This priority has two measures being reported in November 2023: one Green and one Red.



Figure 3: Priority OCC05 Monthly performance for 2023/2024 financial year

Measure:	October Status:	November Status:	Director:
OCC05.07 Public satisfaction in the condition of road surfaces.	N/A	Red	Bill Cotton

Table 7: Priority OCC05 Measure Exceptions - November 2023

OCC05.07: This is a new annual measure for 2023/2024. The service advised Maintaining public satisfaction in the condition of road surfaces has been challenging due to historic and past scale of investment. Oxfordshire's score of 18% satisfaction, is 7% lower than the national average of 25%. Of the 111 authorities surveyed, it is relatively close to its average of the 30 County Council peer group survey score of 20%. It is also of note that although public satisfaction may have fallen in this area, the actual overall condition of the network has not declined to the same extent. A level of customer satisfaction improvement is likely to be able to be achieved through enhancements to communications and innovating through service delivery. Service improvements have recently been made to improve how we communicate with the public and we are also trialling new repair materials and techniques which should hopefully result in improved durability and quality of repairs.

16. Priority OCC07: Create opportunities for children and young people to reach their full potential.

This priority has seven measures being reported in November 2023: two Green, one Amber, two Red, and two monitoring only.



Figure 4: Priority OCC07 Monthly performance for 2023/2024 financial year

Measure:	October Status:	November Status:	Director:
OCC07.03 Number of multi-agency strength & needs assessment completed in Oxfordshire	Amber	Red	Anne Coyle
OCC07.04 Increase the % of children in foster care	Red	Red	Anne Coyle
OCC07.05 The percentage of children in residential care	Amber	Amber	Anne Coyle

Table 8: Priority OCC07 Measure Exceptions - November 2023

OCC07.03: This measure has moved from green to red across the past three months. The service has explained that there is a lag with reporting the data. This is

a partnership measure, so we are reliant on colleagues submitting their data to us.

We are in the process of changing the reporting pattern for this measure so that we have a more complete picture of the data when submitting it to Unity and the BMMR.

OCC07.04: *This measure remains red, having moved to this status for the first time this reporting year last month. It remains at its lowest percentage of 61%. In the past three months it has moved from green to red. Foster care rates remain below the national average. 61% of Oxfordshire children are looked after in foster placements whereas nationally the figure is 68%.*

A targeted campaign is in place to increase internal foster care looking at specific locality areas where we need to recruit foster carers. You will see adverts for foster carers on the sides of buses. The new South Central Independent Fostering Agency Framework is now in place to provide additional external foster placements.

OCC07.05: *This measure has been an exception for the entire 2023/2024 reporting period. The figure of 16% for November represents a 1% increase from last month.*

The service reports that the total number of cared for children has fallen from 881 at the start of the year to 815 at the end of October, a fall of 7%. The number of children supported in residential care has fallen from 143 at the start of the year to 128 at the end of September, a fall of 10%.

The reduction in the overall numbers of cared for children is hiding the picture of performance improvement in terms of reducing children in residential care.

The service reports that currently around 70% of residential placements are spot purchased which suggests that current frameworks and block contracts are not able to provide the number of placements required.

Part of our financial plan is to ensure that we maximise the use of internal and block contract beds - by managing and reducing vacancies in Oxfordshire homes for Oxfordshire children.

We are increasing the number of in-house children's homes from 4 homes to 9 by March 2025 with the support of the DFE capital grant and council capital resource.

We currently have a block contract for 16 residential beds in Oxfordshire or within 10 miles of the border. We have access to up to 15 beds as part of the Cross Regional Contract which offers a therapeutic model of care for children with more complex needs and includes education provision at an inclusive price.

The South Central residential framework is due to be recommissioned by October 2024 and the issues identified with the current framework such as the uplift controls will be addressed which should increase the number of providers who join which should reduce the level of spot purchasing.

17. Priority OCC11: Running the business - Finance.

This priority has 15 measures being reported in November 2023: nine Green, one Amber and five Red.



Figure 7: Priority OCC11 Monthly performance for 2023/2024 financial year

Measure:	September Status:	November Status:	Director:
OCC11.02 Achievement of planned savings	Red	Red	Lorna Baxter
OCC11.03 General balances are forecast to remain at or above the risk assessed level	Red	Red	Lorna Baxter
OCC11.04 Directorates deliver services and achieve planned performance within agreed budget	Red	Red	Lorna Baxter
OCC11.06 Total Outturn variation for DSG funded services (high needs)	Green	Red	Lorna Baxter
OCC11.10 Debt requiring impairment - Corporate Debtors	Amber	Amber	Lorna Baxter
OCC11.11 Debt requiring impairment - ASC contribution debtors	Red	Red	Lorna Baxter

Table 11: Priority OCC11 Measure Exceptions - November 2023

Please refer to 'Financial Position' Section and Annex B for additional information relating to OCC11: Running the business - Finance.

Performance Highlights

18. This section of the report concentrates on several highlights achieved this period in delivering our strategic priorities.

Put action to address the climate emergency at the heart of our work.

Link: [Zero emission zone wins at National Transport Awards show](#)

Oxfordshire County Council and Oxford City Council celebrated after picking up another award for their work on the Oxford zero emission zone (ZEX) pilot.

On 5 October the two councils won the 'Exemplary Contribution to Net Zero' award at the 20th UK National Transport Awards show for their collaboration on the Oxford ZEX. The two councils introduced the Oxford ZEX pilot in February 2022. The first of its kind in the UK, the ZEX pilot covers all or part of nine streets in the heart of the city centre, restricting polluting vehicles from entering streets between 7am and 7pm every day. The project was praised for the technical planning, collaboration and political will required to introduce the ZEX in Oxford.

The two councils worked closely together on planning for the project and on engagement with residents and partners. Last year, both councils were also awarded the prestigious clean air award for their work on the ZEX.

Tackle inequalities in Oxfordshire

Link: [Oxfordshire's Gigahubs project showcased to government minister](#)

The county council recently showcased the benefits of its Gigahubs project at Milton-Under-Wychwood Library, near Burford. There will be £26.5m of new investment to extend upgrading of digital infrastructure across the county.

The Gigahubs project has already provided 171 public buildings – including many of the county's libraries – with access to next generation full fibre broadband. A further 22 sites are expected to be upgraded by 2024. The project is jointly funded by the county council and Building Digital UK (BDUK).

Prioritise the health and wellbeing of residents.

Link: [New programme launches in Oxfordshire to help patients leave hospital on time](#)

Patients who are ready to leave hospital will be supported to return directly home, more quickly, following the launch of a new programme.

A new "Discharge to Assess" programme in Oxfordshire will change the process and speed in which patients are offered social care support after a stay in hospital, helping people to leave hospital sooner and supporting them to recover safely in the place they call home.

The approach brings together teams from health, adult social care, therapy and reablement to plan a patient's best route out of hospital as well as a more joined up way to receive support once at home.

A pilot of the programme has been running in Oxford and north Oxfordshire since July and has already supported 116 people to leave hospital more quickly, enabling them to recover at home, supported by social workers arranged by the county council.

The system is now being rolled out across the county from Wednesday 15 November.

Support carers and the social care system

Link: [New book written for care leavers ... by Oxfordshire care leavers](#)

Care leavers in Oxfordshire now have access to a new source of information to help them navigate the challenges of adulthood, thanks to a book written by those who have experienced the process themselves.

'A Care Leaver's Survival Guide', designed by former children in care from Oxfordshire, is now ready for use by Oxfordshire County Council as a new and valuable resource for young people preparing to leave care.

The interactive and informative book includes practical advice on subjects such as education, writing a CV, preparing for a job interview, paying bills, housing options, and tips around mental wellbeing.

The book is being published by Oxfordshire social enterprise, the Office of Care Leaver Advocacy (OCLA). It will be re-released each year, regularly updated to cover new policies and legislation, in addition to feedback from care leavers.

Collaborations between Oxfordshire County Council and OCLA have included consultation on the council's local offer for care leavers, peer mentoring, a young inspectors programme to help quality assure children's homes, training for social care staff and joint drop-in sessions to support care leavers with education, employment

and training.

Invest in an inclusive, integrated, and sustainable transport network.

Link: [North Oxford corridor improvements win national sustainability award \(oxfordshire.gov.uk\)](https://www.oxfordshire.gov.uk/news/2023/10/11/north-oxford-corridor-improvements-win-national-sustainability-award)

Oxfordshire County Council and its long-term contractor Milestone Infrastructure have been recognised in three categories of the [Highways Awards](#) for their collaboration on the north Oxford corridor improvement project.

The north Oxford corridor project allows for easier access into Oxford city centre, improved bus journey times, better walking and cycling routes, and supports the ongoing local housing and employment growth.

At a ceremony on 11 October, the project won the Environmental Sustainability Award for de-carbonisation and was highly commended in the Major Project category.

Another high commendation came in the Highway Partnership category for the Oxfordshire Highways Alliance which is made up of the county council, Milestone Infrastructure and subcontractors Aggregate Industries, Colas, Drayton Construction, Hazell and Jefferies, and MJ Titchmarsh.

The winning award entry highlighted how Milestone Infrastructure and the county council share ambitious carbon targets. The north Oxford corridor project is making a significant contribution towards those targets.

The project has so far achieved significant carbon reduction on baseline: 37 per cent, or 2,388 tonnes of carbon dioxide equivalent (tCO₂e). To illustrate, it would take over 14,300 mature trees to absorb this amount of carbon dioxide.

This success was achieved using baseline calculations, carbon workshops and events, and the development and implementation of a bespoke carbon estimating tool.

Preserve and improve access to nature and green spaces.

Link: [Libraries Week goes green for 2023 | Oxfordshire County Council Intranet](#)

During Libraries Week, [libraries across the UK](#) celebrated their commitment to sustainability and climate change.

Our own libraries have been leading the way. At Abingdon Library, outside spaces have been transformed with planting for bees and butterflies. Elsewhere (for example, Faringdon and Banbury), our libraries have been promoting [hubs](#) for GroWet, where communities are invited to nourish young wetland plants which are then planted in Oxfordshire wetland areas.

Some are also lucky enough to have growing spaces and are working in partnership with either library friends' groups or [Incredible Edibles](#) (Benson and Wallingford libraries) to get their communities involved with growing and eating a variety of vegetables.

To affirm our commitment, we've recently signed the [Green Libraries Manifesto](#), coordinated by the Chartered Institute of Library and Information Professionals.

Reflecting our strategic vision to create a greener, fairer and healthier county, our libraries will continue to deliver core practices in as sustainable a way as possible. This includes the promotion of book and audio-visual lending services and ensuring our supply chain from publisher to library shelf supports a greener operation. For

example, library suppliers are exploring suitable and robust alternatives to the protective plastic jackets that cover our books and enable books to be re-issued time after time.

Creating opportunities for children and young people to reach their full potential.

Link: [Oxfordshire foster carer highlights crucial role black women play in supporting children and young people](#)

The theme of this year's Black History Month was 'saluting our sisters', highlighting the crucial role that black women play in inspiring change and building communities. People across Oxfordshire, from a range of different backgrounds, are being encouraged to consider becoming foster carers by Oxfordshire County Council. Oxfordshire resident Eileen Momanyi, 48, talks with pride about the difference she has made to the lives of 13 children she has fostered over the last four years.

Eileen explains: "It is personally rewarding to see a child 'come out of their shell' as they begin to feel safe. Watching their confidence grow living under my roof".

Work with local businesses and partners for environmental, economic, and social benefit

Link: [Oxfordshire residents are urged to recycle their vapes](#)

Three Oxfordshire councils today unveiled their plans for new recycling services for vapes.

Oxfordshire County Council, Cherwell District Council and Oxford City Council will together provide new vape recycling services across the county. They want to prevent the disposal of single use vapes in litter bins, general waste or mixed recycling where they can contaminate other recycling and, in some instances, cause fires in bin trucks or waste facilities.

New vape recycling points in public spaces offer convenient and easy access for recycling vapes. This is one of more than 40 UK projects funded by Material Focus, the not for profit leading the Recycle Your Electricals campaign who have provided over £40,000 for Oxfordshire to be one of the first county councils to lead the way by recycling vapes. The funding is part of a wider initiative to make it easier for 10 million UK residents to recycle their electricals.

The Recycle Your Vapes campaign will:

- Add up to 60 new recycling collection points for vapes at small retailers, shopping areas, bars and cafes across Oxford, Banbury, Bicester and Kidlington. Look out for the three-foot high, clear plastic tube vape recycling collection points. The tubes have bright pink recycle your vapes posters and images of vapes on the posters.
- Provide new public recycling bright pink bins at each of the seven household waste recycling centres (HWRCs) in Oxfordshire.
- And introduce a new separate kerbside collection for vapes in Cherwell.

The new household waste recycling centre (HWRC) bright pink vape bins will be installed on Wednesday 29 November, which will also start the roll out of collection

points in other locations.

In all other areas of Oxfordshire, vapes can be recycled at the kerbside with other small electrical items. How they are collected in each district council area varies, residents should check the [Waste Wizard](#) or their district council's website to check the local area's collection service.

Residents will also be made aware of how and where they can recycle their vapes through information on leaflets, and on posters featuring HypnoCat. Keep an eye out for HypnoCat, the Recycle Your Electricals mesmerising pink, fluffy mascot, he is on a mission to hypnotise local residents into recycling their vapes.

The Material Focus Electricals Recycling Fund is making it easier for consumers to recycle their electricals. The projects that have been funded by Material Focus include a variety of recycling methods, from kerbside collections to more drop-off points in schools, community centres and bring banks. Overall, there will be over 400 new collection points plus kerbside collections for 5.5 million UK residents.

Strategic Risk Management Overview

19. A strategic risk is a risk to the council's strategic priorities or long-term outcomes; or a risk with a significance that has an impact at the corporate level.

20. The table below provides an overview of the current strategic risk position. Strategic risks are reviewed on a monthly basis as part of the Business management and monitoring process. Risks can be added and escalated at any time during the year.

Risk Name	Risk Description	30 Nov 2023				Direction of Travel
		Inherent Score	Previous Residual Risk Score	Current Residual Risk Score	Current Residual Risk Rating	
01. Financial Resilience	The council is not financially sustainable in the immediate/medium term.	25	20	12	●	✓
02. Cyber security	A successful and significant Cyber-attack leading to disruption, damage or compromise of any of the council's computer services, information systems, infrastructure or data.	25	15	15	●	→
03. HIF1&HIF2	HIF1 and HIF2 become undeliverable and/or potential financial risk to the council	16	12	12	●	→
04. Managing Demand across Adult's and Children's Services	Fluctuating demand of community across Oxfordshire can result in varying requirements in resource.	15	12	12	●	→
05. Special Educational Needs and Disability (SEND)	Local area SEND partnership inspection outcomes found widespread systemic failure. Delay for children having their SEND needs met. Reputational damage (locally, regionally, and nationally).	25	25	16	▲	✓
06. Oxford Core Schemes	Failure to deliver Oxford Core Schemes (Traffic Filters, Workplace Parking Levy, Zero Emissions Zone and associated city area schemes such as Low Traffic Neighbourhoods) with public support.	20	16	16	▲	→
07. Strategic Workforce Planning	A risk that the county council's workforce does not have capacity, capability or resilience to deliver key functions, statutory services or transformational changes required to ensure the councils objectives and long-term priorities are met. Further, that the diversity of the workforce satisfies statutory requirements.	16	12	12	●	→
08. Policy & Budget	Inability to seek agreement in relation to the policy and budget framework from a minority administration.	25	20	20	▲	→
09. Delivering the Future Together	Failure to deliver organisation wide transformation.	25	16	16	▲	→

Table 12: Strategic Risk Overview for November 2023. Please note that a strategic risk regarding resilience in the face of climate change will be forthcoming early in 2024.

Financial Position

21. As shown below directorates are forecasting an overspend of £14.4m (2.5%). After taking account of an increase in interest receivable on balances held by the council and the use of funding held in contingency and the COVID-19 reserve, the overall forecast expenditure is £4.2m higher than the net operating budget.

	Latest Budget Nov-23 £m	Forecast Spend Nov-23 £m	Forecast Variance Nov-23 £m	Forecast Variance Nov-23 %	Forecast Variance Sept-23 £m	Change Since Sept-23 £m
Adult Services	227.3	227.3	0.0	0.0%	0.0	0.0
Children's Services	169.1	181.9	12.8	7.6%	11.8	1.0
Environment & Place	73.9	73.0	-0.8	-1.2%	-0.4	-0.4
Public Health	4.1	4.1	0.0	0.0%	0.0	0.0
Community Safety	27.6	28.1	0.5	1.8%	0.0	0.5
Resources	70.0	71.9	2.0	2.8%	2.2	-0.2
Directorate Total	571.8	586.3	14.4	2.5%	13.6	0.8
Budgets Held Centrally						
Capital Financing	28.4	28.4	0.0	0.0%	0.0	0.0
Interest on Balances	-16.6	-18.5	-1.8	11.1%	-1.0	-0.8
Inflation ¹	6.5	6.5	0.0	0.0%	0.0	0.0
Contingency	12.4	5.4	-7.0	-56.5%	-7.0	0.0
Un-ringfenced Specific Grants	-43.7	-43.7	0.0	0.0%	0.0	0.0
Insurance	1.4	1.4	0.0	0.0%	0.0	0.0
Contribution from COVID-19 reserve	-7.4	-8.8	-1.4	19.0%	-1.4	0.0
Contribution from Budget Priority Reserve	-2.4	-2.4	0.0	0.0%	0.0	0.0
Contributions to reserves	20.7	20.7	0.0	0.0%	0.0	0.0
Contribution to balances	7.6	7.6	0.0	0.0%	0.0	0.0
Total Budgets Held Centrally	6.9	-3.3	-10.2	-148.2%	-9.4	-0.8
Net Operating Budget	578.8	583.0	4.2	0.7%	4.2	0.0
Business Rates & Council Tax funding	-578.8	-578.8	0.0	0.0%	0.0	0.0
Forecast Year End Position	-0.0	4.2	4.2		4.2	0.0

22. The overall forecast overspend of £4.2m has remained unchanged since September 2023.. As noted in previous reports inflation and demand pressures for children's social care, as well as workforce shortages, have increased the financial risk for the council and made it much more challenging to forecast

¹ Virements to allocate inflation and contingency from budgets held centrally to directorates to fund the impact of the 2023/24 Green Book pay award were transacted at the end of December 2023. The Business Management & Monitoring Report to Cabinet in March 2024 will reflect the updated position.

activity and expenditure.

- 23.** £1.5m of cross directorate agency staffing savings (24CC13) agreed as part of the 2023/24 budget in February 2023 were originally held in Resources pending agreement about how to allocate these. These are now included in directorate totals and action will need to be taken to achieve these in the longer run.
- 24.** The forecast for Adult Services remains break even. £0.3m of reallocated staffing savings are expected to be managed within that position.
- 25.** The forecast overspend for Children's Services has increased by a further £1.0m since the report to Cabinet in November 2023. This is mainly driven by an increase in Home to School transport activity of £0.5m plus a £0.5m pressure relating to the reallocation of staffing savings. Other on-going underlying pressures in Children's Services are driven by a combination of increased care placements costs, and reliance on agency staff to cover vacancies. Children's Services have implemented a number of organisational, governance and business process controls as well as market management actions to address the underlying pressures but it is taking time for these to have an impact.
- 26.** There is now a forecast overspend of £0.5m for Community Safety. This reflects a one-off payment made for a disabling injury/illness, the reallocation of £0.2m budgeted staffing savings, and an increase in training costs.
- 27.** The forecast underspend for Environment & Place has increased by £0.4m compared to the September 2023 position and is now £0.8m after taking account of £0.2m reallocated staffing savings. The underspend includes underspends on transport community initiatives, a reduction in energy cost prices, and additional income from income through enforcement activity.
- 28.** The forecast overspend for Resources has reduced by £0.2m from the September forecast after taking account of the reallocation of budgeted agency savings of £1.1m to directorates. £ 0.4m of the total needs to be managed by services in Resources.
- 29.** 73% of the 2022/23 savings of £10.2m which were not achieved as planned in the last financial year are currently assessed as delivered or are expected to be delivered in 2023/24 and 27% are still assessed as amber or red. 72% of the 2023/24 savings are assessed as delivered or are expected to be delivered and 28% are still assessed as amber or red. Action is continuing to be taken to ensure that the delivery of both existing planned savings and new budget reductions is maximised in 2023/24. The anticipated achievement of savings is incorporated into the forecast directorate position.
- 30.** The forecast 2023/24 deficit compared to Dedicated Schools Grant (DSG) funding for High Needs is £21.2m. This has increased by £2.9m compared to the £18.3m forecast deficit approved by Cabinet in May 2023. The CIPFA code of practice requires negative High Needs DSG balances to be held in an unusable reserve. The forecast deficit would increase the cumulative negative High Needs DSG balance held in this reserve from £41.1m as at 31 March 2023 to £62.3m at 31 March 2024.

31. £3.0m of the £12.4m contingency budget has been used to meet the cost of additional pay inflation in 2023/24. Funding will continue to be held in contingency to meet the cost of pay inflation for vacant posts if they are recruited to.
32. After taking account of the use of £7.0m contingency, additional interest, and funding from the COVID-19 reserve to support the overall forecast position, the remaining net £4.2m overspend against the operating budget would reduce balances to £25.6m, £4.6m under the £30.2m risk assessed level for 2023/24. The risk assessed level of balances for 2024/25, and funding for any top-up to that level after taking account of any one – off funding in 2023/24, is included in the Budget and Business Planning report elsewhere on the agenda.
33. The Council's Management Team are continuing to work with directorates to identify actions to manage expenditure so that any overspend by year end is mitigated as far as possible and does not require any call on balances.
34. Annex B sets out further details and commentary on the Finance position.

Financial Implications

35. This report includes an update on the forecast financial position and risks for the council along with action being taken to manage the budget within the position agreed by Council in February 2023. Strong and sustained financial management, collective action and oversight continues to be required to ensure that services are managed within budgets for 2023/2024.

Comments checked by: Lorna Baxter, Executive Director of Resource and Section 151 Officer.

Legal Implications

36. The Council's constitution at Part 3.2 (Budget and Policy Framework) and Part 3.3 (Virement Rules) sets out the obligations and responsibilities of both the Cabinet and the Full Council in approving, adopting and implementing the council's budget and policy framework.
37. The Council has a fiduciary duty to council taxpayers, which means it must consider the prudent use of resources, including control of expenditure, financial prudence in the short and long term and the need to act in good faith in relation to compliance with statutory duties and exercising statutory powers. The report sets out as at November 2023 performance, risk and finance position for the Council as part of its fiduciary duty to implement budgetary controls and monitoring.

Comments checked by: Anita Bradley, Director of Law and Governance

LORNA BAXTER

Executive Director of Resources & Section 151 Officer

Contact Officers:

Louise Tustian, Head of Insight and Corporate Programmes

Kathy Wilcox, Head of Corporate Finance