

## **CABINET REPORT**

### **BUSINESS MANAGEMENT AND MONITORING REPORT May 2022**

**Report by the Corporate Director for Customers, Organisational  
Development & Resources and the Director of Finance**

#### **RECOMMENDATION**

The Cabinet is **RECOMMENDED** to

- a) note the report.
- b) agree the virements set out in Annex B-2a
- c) note the virements and supplementary estimate set out in Annex B-2b and B-2c
- d) agree the proposed update to the Review of Charges for 2022/23 as set out in paragraphs 94 and 95 of Annex B.
- e) note the additional £5.9m Business Rate funding set out in Annex B paragraph 130 and agree that this should be added to the Business Rates Reserve pending agreement about the use of this funding.

#### **Executive Summary**

1. This report presents the May 2022 performance and finance position for the Council.
2. The Council recognises the importance of timely, accurate and accessible performance, risk overview and budget management information as part of its commitment to both transparency and demonstrating efficiency and effectiveness.
3. These business management reports are part of a suite of performance, risk overview and budget documents which set out our ambitions, priorities and financial performance. The new 2022 – 2025 Strategic Plan sets out the Council's ambitions for the next four years. It also shows our priority activities for the current financial year.
4. Our new 2022 – 2025 Strategic Plan, Medium Term Financial Plan, Outcomes Framework and business management reports, can be found on the Council's website.
5. This report summarises the performance and finance position for the council. Further information is provided in the following annexes to the report:

Annex A: Performance May 2022  
Annex B: Finance May 2022

6. The performance section of this report concentrates on the Performance Exceptions (Measures reporting Red (off target), or Amber, (slightly off target, amber for the last two consecutive months). The full performance report is included at Annex A.

### **Performance Overview**

7. The Outcomes Framework for 2022/23 reports on our nine strategic priorities, and tenth running the business priority which includes the customer contact centre and finance measures.
8. This report includes 52 monthly measures. As at the end of May 2022 the indicators were rated as follows (2 measures to be updated from June onwards):

Month	Green	Amber	Red	Monitoring only (n/a)	Data to be updated	Total
May 2022	54%	13%	19%	10%	4%	52
	28	7	10	5	2	

**Figure 1** – Summary of May performance for all indicators. RAG = Green – meets or exceeds the target, Amber – misses target by narrow margin and Red – misses target by significant margin. Please note the margins vary depending on set thresholds for each measure, established using national targets, forecasting and other calculation

9. The following table lists the 10 measures reporting as Red for this period. Full details can be found in Annex A.

<b>Performance measures reporting Red for May 2022 (10)</b>	
<b>OCC 2.04:</b>	Number of physical visits to the library
<b>OCC 07.01:</b>	Number of Contacts into the MASH
<b>OCC 07.02:</b>	Number of early help assessments
<b>OCC 07.03:</b>	Number of early help assessments completed by health visitors
<b>OCC 07.06</b>	No. of children we care for (excluding unaccompanied children)
<b>OCC 07.10:</b>	Percentage of Education Health & Care Plans completed within 20 weeks
<b>OCC10.03:</b>	Achieve a high level of customer satisfaction across the telephony channel in the CSC
<b>OCC11.02:</b>	Achievement of planned savings
<b>OCC11.05:</b>	Directorates deliver services and achieve planned performance within agreed budget
<b>OCC11.11:</b>	Debt requiring impairment - ASC contribution debtors

**Figure 2** – Summary of the Red measures

10. This table indicates the direction of travel of measures compared to April 2022.

<b>Status changes – April to May 2022</b>	
<b>Amber to Green</b>	<b>OCC07.07:</b> Number of child protection plans
<b>Green to Red</b>	<b>OCC10.03:</b> Achieve a high level of customer satisfaction across the telephony channel in the CSC
<b>Amber to Red</b>	<b>OCC 11.02:</b> Achievement of planned savings
<b>Green to Red</b>	<b>OCC 11.05:</b> Directorates deliver services and achieve planned performance within agreed budget
<b>Green to Amber</b>	<b>OCC 11.08:</b> % of agreed invoices paid within 30 days

**Figure 3** – changes since the last reporting period

11. The number of measures reported will fluctuate throughout the year as the reporting frequency is measure specific, monthly, quarterly, termly, bimonthly and annually as detailed in the outcomes framework. During May, the majority of measures are delivering to plan, however there is an increase in the numbers reporting behind schedule. These are included in the report as exceptions.
12. Financial (year to date) tracking of RAG monthly measures (not including monitoring only and data to be updated):

Month	Green	Amber	Red	Total
April	22	6	6	34
May	28	7	10	45

**Figure 3** - Please note that the total number of indicators fluctuates as some measures are quarterly, 6monthly and annually.

## Performance Exceptions

13. This section of the report details each measure reporting Red or Amber status (Amber consecutive for two months) with supporting commentary from the Directorate and analysis from the performance and insight team. The exception report focusses on the 10 measures that have red outcomes and the 6 measures that have reported amber outcomes for two months consecutively.
- 19.1 **Priority OCC 01: Put action to address the climate emergency at the heart of our activities**

This priority has 3 monthly measures being reported in May: 1 Amber and 2 Green.

Priority OCC 01 overall performance:			Table illustrates the measure within <b>Priority OCC 01</b> that are performing under target and the RAG status.		
April	May	June	<b>Measure:</b>	<b>Status:</b>	<b>Director:</b>
July	August	September	<b>OCC 01.09:</b> Total % waste which is reused recycled and composted	<b>Amber</b>	<b>Bill Cotton</b>
October	November	December			
January	February	March			

### **Comments from directorate:**

The figure reported is for April (one month in arrears) and is the provisional end of year performance. This is the combined effort of OCC, Oxford City Council and the District Councils. Achieving target is challenging and will require coordinated work. Last year Oxfordshire was named the **best performing county council waste disposal authority in England** with a recycling rate of 59.5%. Oxfordshire councils have set an ambitious target. Much of the waste currently disposed could be recycled, and there is a need to continue to strive to drive out that material to secure environmental, climate and financial benefits.

## 19.2 Priority OCC 02: Tackle inequalities in Oxfordshire

This priority has 4 monthly measures being reported in May: 1 Red, 3 Green:

Priority OCC 02 overall performance:		
April	May	June
July	August	September
October	November	December
January	February	March

  

Table illustrates the measure within <b>Priority OCC 02</b> that are performing under target and the RAG status.		
<b>Measure:</b>	<b>Status:</b>	<b>Director:</b>
<b>OCC 02.04:</b> Number of physical visits to Libraries	<b>Red</b>	<b>Mark Haynes</b>

### Comments from directorate:

Visits to libraries continue to increase and May 2022 represents another highwater-mark for visits post-COVID. Numbers have fallen slightly below target. Efforts continue to encourage customers back into libraries. Library staff is developing an exciting programme of activities, including for the Summer Reading Challenge.

## 19.3 Priority OCC 04: Support carers and the social care system

This priority has 5 monthly measures being reported in May: 2 Amber and 3 Green.

Priority OCC 04 overall performance:		
April	May	June
July	August	September
October	November	December
January	February	March

  

Table illustrates the measure within <b>Priority OCC 04</b> that are performing under target and the RAG status.		
<b>Measure:</b>	<b>Status</b>	<b>Director:</b>
<b>OCC 04.04:</b> % of residents aged under 65 receiving ASC who manage their care by using direct payment	<b>Amber</b>	<b>Karen Fuller</b>
<b>OCC 04.05:</b> % of older residents who receive long term care and are supposed to live in their own home	<b>Amber</b>	<b>Karen Fuller</b>

### Comments from directorate:

39% of people under 65 supported with long term care at home, received direct payment, just above the national average of 38%. We continue to offer payments to people to ensure everyone that wishes to use the service is able to do so. And we believe that most over 65's, want to live in their own home wherever possible. 59.4% were supported by adult social care in their home. National figure is 63%. The figure is rising, and we continue to develop services to support care, extra care housing and direct payments. The number of new placements in care homes, although better, remains lower than target, but given this measure's characteristics, it will take some time to move.

#### 19.4 Priority OCC 07: Create opportunities for children and young people to reach their full potential

This priority has 11 monthly measures being reported in May: 5 Red, 1 Amber and 1 Green.

Priority OCC 07 overall performance:		
April	May	June
July	August	September
October	November	December
January	February	March

  

Table illustrates the measure within <b>Priority OCC 07</b> that are performing under target and the RAG status.		
Measure	Status	Director:
<b>OCC 07.01:</b> Number of Contacts into the MASH	Red	Kevin Gordon
<b>OCC 07.02:</b> Number of early help assessments	Red	Kevin Gordon
<b>OCC 07.03:</b> Number of early help assessments completed by health visitors	Red	Kevin Gordon
<b>OCC 07.05:</b> No of children we care for who are Unaccompanied Asylum Seeking Children	Amber	Kevin Gordon
<b>OCC 07.06:</b> No. of children we care for (excluding unaccompanied children)	Red	Kevin Gordon
<b>OCC 07.10:</b> Percentage of Education Health & Care Plans completed within 20 weeks	Red	Kevin Gordon

#### Comments from directorate:

In 20/21 the number of contacts into the MASH rose by 35%. In 21/22 they rose again by 18%. In the first two months of this year there have been 4848 contacts. This is a 3% increase on the same period last year. Demand is being managed by additional temporary staff. We are reviewing activity in the MASH to see what can be managed elsewhere.

As part of the Early Help Strategy, the Children's Trust has set an ambitious target to increase the number of Early Help Assessments to 5000 this year from 2732 in 2021/22. We are currently agreeing targets for different agencies. You are currently more than twice as likely to be assessed by social care than have an early help assessment. We want to flip this round. There is evidence of avoidable demand in the system which is not in the best interest of children and families.

The number of children we care for continues to rise, but we remain below the national rate. We had expected the numbers to fall with the implementation of family solutions plus model, but this has not yet happened. We have seen an increase in younger children becoming looked after which may reflect the impact of the pandemic, where we have seen a higher level of need was much higher in presenting cases. There has been a slowdown in the rate children leave the cared for system both locally and nationally which may also reflect the documented delays in courts.

Education Psychologist Service delays still significant which impact on the ability to meet the 20-week deadline.

## 19.5 Priority OCC 10: Running the business

**Customer contact centre:** Of the 6 measures 1 Red, 1 Amber and 2 Green with 2 measures being reported from June onwards.

**Finance:** Of the 14 measures 3 Red, 2 Amber and 9 Green.

Priority OCC 10 overall performance:		
April	May	June
July	August	September
October	November	December
January	February	March

  

Measure	Status	Director
<b>OCC10.03:</b> Achieve a high level of customer satisfaction across the telephony channel in the CSC	Red	Mark Haynes
<b>OCC10.04:</b> Resolve customer enquiries received through the telephony channels at the first point of contact	Red	Mark Haynes
<b>OCC10.05:</b> Number of telephone calls to CSC abandoned	Amber	Mark Haynes
<b>OCC11.02</b> Achievement of planned savings	Red	Lorna Baxter
<b>OCC11.05</b> Directorates deliver services and achieve planned performance within agreed budget	Red	Lorna Baxter
<b>OCC11.08:</b> Percentage of agreed invoices paid within 30 days	Amber	Lorna Baxter
<b>OCC11.11:</b> Debt requiring impairment – ASC Contribution Debtors	Red	Lorna Baxter
<b>OCC11.15:</b> Invoice Collection Rate – ASC Contribution debtors	Amber	Lorna Baxter

### Customer Contact Centre Comments from directorate:

May had 158 customers surveyed, out of 13,753 calls received, which was 1.14% 56.7% of customers were satisfied with the service they received 60.5% of customers were satisfied with the adviser they spoke to.

Additional Customer Satisfaction measures are going to be used to produce this measure and increase the overall satisfaction of our customers.

An options paper has been submitted to the Director of Customer Experience & Cultural Services and a project group has been set up to implement the recommendations - this includes short term/quick wins and a longer-term vision.

### Finance Comments:

The final balance of bad debt as at the end of 2021/22 was £3.7m. The balance at the end of May 2022 increased to £4.1m. During 2021/22 the trailing impacts of COVID-19 had a significant effect on the means tested social care contributions bad debt. In quarter four of 2021/22 Adult Services, with support from Finance, created an 18-month plan to reduce the levels of bad debt to £2.5m. Additional resources have been brought in and a task group has been assembled to ring-fence and clear the bad debt cases over the next 12 to 18 months. The task group went live in May 2022 but reductions to bad debt are not expected until quarter three of 2022/23 onwards as the task group establish working arrangements,

assess, and prioritise the caseload and commence recovery activity. This is identified as a priority ahead of legislation changes to social care charging.

The Invoice Collection Rate – ASC Contribution Debtors, of 120 days, has dropped marginally from 89.9% to 89.3% and remains below the 92% target. Direct debit collection rates increased in quarter 4 of 2021/22 and we would expect some improvement from next month. Reminder communications have been revised to improve responses to reminder letters, which should have a direct impact on collection rates. However, these are pending partner wide agreement and IT allocation to be implemented and are not expected until Autumn 2022, at the earliest.

Achievement of planned savings. The 2022/23 budget agreed includes planned directorate savings of £17.4m. 68% of these are currently on track to be delivered in year compared to a target of 95% set out in the budget agreed in February 2022. £1.7m savings assessed as red relate to street lighting and a further £1.4m transformation savings in Commercial Development, Assets and Investment for Property Services are not expected to be achieved in 2022/23, although they are anticipated to be achieved in 2023/24. There are also £1.5m savings in Children's and £0.8m in Commercial Development, Assets and Investment assessed as amber. The impact of the anticipated delivery of the savings is built into the forecast for each directorate.

The forecast directorate overspend of £5.5m (or 1.1% of the budget) relates to Children's Services which is managing significant pressures reflecting the need for agency social workers to fill vacancies within the front-line social care teams plus an increase in the forecast cost of placements for children that the council cares for.

## **Performance Highlights**

14. This section of the report concentrates on the successes achieved during this reporting period.
15. In connection with **Put action to address the climate emergency at the heart of our work** this month Oxfordshire County Council (OCC) has created a more environmentally focussed food strategy. The new strategy has been developed in partnership with organisations including Good Food Oxfordshire, district and city councils, community groups, local farmers and other food businesses, to improve Oxfordshire's food system and make it more sustainable, affordable and resilient.
16. The council is setting an excellent example in driving down in its own carbon emissions and is planning to do more with plans to drive down carbon emissions approved. Cabinet approved plans which could see its own corporate carbon emissions almost halved by 2024/25. The council produced 10,774 tonnes of CO<sub>2</sub> in 2020/21, but measures outlined in its carbon management plan could see this cut to 6,000 tonnes within three years.

17. While OCC remains committed to the global fight against climate change it hasn't forgotten its responsibilities to the **health and wellbeing of residents**. In the case below illustrates that even helping one person is important. OCC worker overcomes sight loss to thrive in the world of work. A reliable worker at Oxfordshire County Council with sight loss since birth, needing a magnifier or large print to be able to read, requiring a stick to help him navigate steps. The RNIB recently recognised County Print Finishers for support of people with sight loss - obtaining 'Visibly Better' standard.
18. Talking about loneliness this Mental Health Awareness Week, residents were encouraged to follow in the footsteps of local hairdressers and barbers and think about how they can help those that may be feeling lonely as OCC marked Mental Health Awareness Week (9 - 16 May).
19. **Support carers and the social care system**, this is particularly true when the cost of living is increasing. OCC and The Care Workers' Charity have partnered to provide grants to care workers in need working or living in the Oxfordshire area. We have also provided funding to enable eligible care providers to reimburse the cost of the Blue Light Card to their employees. This will be administered by the Care Workers' Charity. People who have supported people with care needs by sharing their homes were given recognition at the recent Oxfordshire Association of Care Providers (OACP) Awards. The Oxfordshire Shared Lives programme, operated by OCC, places people in a home setting, where care is provided by a family who share their lives with that person
20. **Create opportunities for children and young people to reach their full potential** has seen the following initiatives target the needs of the disadvantaged and those with special needs. Children and young people with special educational needs and disabilities (SEND) were at the heart of major proposals debated by Cabinet, on Tuesday 24 May. Residents have already contributed to plans for this local area SEND strategy through public consultation, which took place between January and March 2022. There were 866 responses with over 90 per cent agreeing with the five strategic objectives. These are:
  - Improving outcomes for children with special educational needs and disabilities.
  - Developing a continuum of local provision to meet the requirements of these children and young people.
  - Good physical and mental health and wellbeing.
  - Improving post-16 education, learning, employment and training opportunities.
  - Facilitating a positive move into adulthood for young people with special educational needs and disabilities.
21. In relation to **Invest in an inclusive, integrated and sustainable transport network** OCC has made a number of investments. Cyclists, pedestrians and residents in Oxfordshire will benefit from a £10.4 million government grant to improve walking and cycling infrastructure in the county. We have been



awarded funding from the third phase of the government's active travel fund, who previously awarded grants of £600,000 to phase one and £2.98m to phase two. The funding will support infrastructure improvements across the county including £2m to improve Witney High Street, £1.8m to improve Bicester's A41 and £237,500 for the School Streets programme. In awarding the funding, the Department for Transport recognised the council's high quality cycling infrastructure including within highways projects, planning and designing for commercial cycling and cycle parking and other equipment. The funding is expected to be received in July.

## 22. Risk Management Overview

The below table reflects an overview of the current strategic risk position. All risks are being fully reviewed.

Risk Title	Residual Risk Score	Comment
Demand management - Children	20 High Risk	Risk reviewed and updated
Safeguarding of vulnerable children	15 Medium Risk	Risk reviewed and updated
High needs block funding	15 Medium Risk	Risk reviewed and updated
Recruitment and Retention of Children's Social Workers	16 High Risk	Risk reviewed and updated
Insufficient placement availability for children we care for	20 High Risk	Risk reviewed and updated
Safeguarding of vulnerable adults	9 Low Risk	Risk reviewed and updated
Demand management - Adults	16 High Risk	Risk reviewed and updated
Capital Infrastructure Programme Delivery	20 High Risk	Risk reviewed and updated
Local resilience, community resilience, cohesion	8 Low Risk	Risk reviewed and updated
Management of partnerships (non-commercial)	6 Low Risk	Risk reviewed and updated
Supply chain management	9 Low Risk	Risk reviewed and updated
Corporate governance	4 Low Risk	Risk reviewed and updated
Workforce management	12 Medium Risk	Risk reviewed and updated
Organisational Change and Service Design	12 Medium Risk	Risk reviewed and updated
Financial resilience	10 Medium Risk	Risk reviewed and updated
Health and Safety	6 Low Risk	Risk reviewed and updated
Business Continuity and recovery plans	9 Medium Risk	Risk reviewed and updated
Cyber security	15 Medium Risk	Risk reviewed and updated
Construction, Resources and Skills Shortages	16 High Risk	Risk reviewed and updated
Deprivation of Liberty Authorisations (Care Homes and Community)	12 Medium Risk	Risk reviewed and updated
HIF1 Didcot Garden Town Major Infrastructure Programme	20 High Risk	Risk reviewed and updated

## Financial Management

23. This report is the first financial monitoring update for the 2022/23 financial year and is based on the period up to May 2022.
24. There is a forecast Directorate overspend of £5.5m or 1.1%. The overall forecast variation is £4.4m or 0.8% after taking account of an increase in interest receivable on balances held by the council.

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Directorate	Latest Budget	Forecast Spend	Variance May 2022	Variance May 2022
	£m	£m	£m	%
Adult Services	212.1	212.1	0.0	0.0
Children's Services	148.8	154.3	5.5	3.7
Public Health	0.6	0.6	0.0	0.0
Environment & Place	62.8	62.8	0.0	0.0
Commercial Development, Assets and Investments	48.0	48.4	0.4	0.9
Customers, Organisational Development & Resources	36.2	35.8	-0.4	-1.2
<b>Total Directorate Budgets</b>	<b>508.5</b>	<b>514.0</b>	<b>5.5</b>	<b>1.1</b>
<b>Budgets Held Centrally</b>				
Capital Financing Costs	26.1	26.1	0.0	
Interest on Balances	-13.0	-14.1	-1.1	
Inflation and Contingency <sup>1</sup>	12.3	12.3	0.0	
Un-ringfenced Specific Grants	-31.2	-31.2	0.0	
Insurance	1.4	1.4	0.0	
Contributions to reserves	16.3	16.3	0.0	
<b>Total Budgets Held Centrally</b>	<b>11.9</b>	<b>10.8</b>	<b>-1.1</b>	<b>-10.3</b>
<b>Net Operating Budget</b>	<b>520.4</b>	<b>524.8</b>	<b>4.4</b>	<b>0.8</b>
Business Rates & Council Tax funding <sup>2</sup>	-520.4	-520.4	0.0	
<b>Forecast Year End Position</b>	<b>0.0</b>	<b>4.4</b>	<b>4.4</b>	

25. The forecast deficit for High Needs is £17.5m in 2022/23. In line with a change to the CIPFA code of practice on DSG High Needs deficits an unusable reserve was created in 2020/21 to hold negative High Needs DSG balances. The net forecast deficit of £17.5m would increase the total deficit held in this reserve to £47.3m.
26. Issues and volatility in the wider economy, including inflation and workforce shortages, have increased the risk to the financial position for the council and the overall landscape looks much more challenging than when the budget was set in February 2022. On-going budget held as contingency as part of the 2022/23 budget is likely to be needed to meet the cost of additional on-going pay inflation as well as other inflationary and demand pressures. One off funding in general balances was higher than the risk assessed level at the end of 2021/22 and can be used to support pressures in 2022/23. The on-going impact will need to be considered through the 2023/24 Budget & Business Planning process.
27. The **Budget Priorities Reserve** includes £7.7m one - off funding to support the council's priorities that was agreed as part of the 2022/23 budget in

<sup>1</sup> This includes £4.4m for pay inflation assumed at 2.5% in Budget approved by Full Council in February 2022.

<sup>2</sup> As set out in paragraph 130 of Annex B additional Business Rates funding of £5.9m is proposed to be added to the Business Rates Reserve pending agreement about the use of this funding.

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February 2022. £0.250m of the available funding has been agreed to be used for the implementation of the "Vision Zero" concept. £0.250m will be used to support partners in the delivery of a food strategy action plan. This will seek to address food poverty, inequality, access to healthy food and supporting/enhancing local food supply.

28. As set out in the Earmarked Reserves and General Balances Policy Statement for 2022/23 £7m from the Budget Priorities Reserve was agreed to be used to contribute to the Capital Reserve to help meet the costs of the 20 MPH Speed Limit Programme and the Zero Emission Buses Regional Areas (ZEBRA) Schemes.
29. **COVID-19 Reserve** - The balance held in the reserve after taking account of £8.4m used to support directorate budgets in 2022/23 is £17.9m. A further £11.7m has been agreed to be used to fund COVID-19 related pressures in future years as part of the 2022/23 budget and Medium Term Financial Strategy. £0.5m is being used to fund IT equipment delivered in April 2022 that was originally agreed to be spent in 2021/22 and £0.1m has been committed for additional costs within the Coroner's service.
30. The balance of £5.5m is available to support further pressures arising from COVID-19 on a one-off basis.
31. **General Balances** were £39.2m at 31 March 2022 and will reduce to £37.2m after taking account of budgeted contribution of £1.0m and the agreed use of £3.0m to support the help meet the costs of the 20 MPH Speed Limit Programme and the Zero Emission Buses Regional Areas (ZEBRA) Schemes. The risk assessed level for 2022/23 is £28.9m. As noted in paragraph 100-101 of Annex B £0.5m one – off funding for the schools' condition survey has also been agreed to be met from balances.
32. If general balances are used to fund the projected overspend of £4.4m, the total balance will reduce to £32.3m. This is £3.4m above the risk assessed level.
33. See Annex B for further details and commentary on the Finance position.

## Financial Implications

34. 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 2022. The report notes that on-going impacts will need to be considered through the Budget & Business Planning process for 2023/24.

Comments checked by:  
Lorna Baxter, Director of Finance

**CA8**

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