

CABINET – 21 December 2021

BUSINESS MANAGEMENT AND MONITORING REPORT October 2021

Report by Corporate Director for Customers and Organisational Development and Director of Finance

RECOMMENDATIONS

- a) To note the October business management and monitoring report.
- b) To agree virements set out in Annex C -2b which relate to the Covid-19 costs incurred by the directorates between July and September 2021.
- c) To note virements set out in Annex C-2c
- d) To approve the bad debt, write off in Annex C paragraph 48
- e) To approve the use of the Transformation Reserve and COVID Reserve paragraphs 80 and 81

Executive Summary

1. This report presents October 2021 performance, risk and finance position for the Council.
2. The Council recognises the importance of timely, accurate and accessible performance and budget management information as part of its commitment to both transparency and demonstrating efficiency and effectiveness.
3. These monthly business management reports are part of a suite of performance, leadership risk and budget documents which set out our ambitions, priorities and financial performance. The Corporate Plan sets out the Council's ambitions for the next two years, under our vision for Thriving Communities. It also shows our priority activities for the current business year.
4. Our Corporate Plan, Medium Term Financial Plan, Outcomes Framework and previous business management reports, can be found on the Council's website.1-
5. This report summarises performance and risk within these Business Management & Monitoring Reports. Further information is provided in five annexes:
 - a. Annex A: Performance October 21
 - b. Annex B: Leadership Risk Register October 21
 - c. Annex C: Finance October 21
6. The performance exceptions section (section 8) of this report concentrates on the Performance Exceptions (Indicators Red, off target, or Amber, slightly off target, for the last two consecutive months). The full performance report is at Annex A.

7. Performance Overview

This year's Outcomes Framework reports monthly on our six strategic priorities, including 23 indicators comprised of 90 measures on a monthly basis, at the end of October 2021 the indicators were rated as follows:

Green	Amber	Red
14 (61%)	2 (9%)	7 (30%)

Figure 1 – Summary of October 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,

Red indicators for October 2021
OCC 04 - Effective financial management and governance
OCC13 - Household waste reused, recycled or composted
OCC15 - We provide help early on so children are less likely to be in need
OCC16 - The number of children looked after
OCC17 - Number of child protection plans
OCC18 - Timeliness completing Education, Health & Care Plans
OCC 22 - Infrastructure delivery supports growth

Status changes – September (Q2) to October 2021	
Amber to Green ↑	OCC24 Support for local economy
Red to Amber ↑	OCC06 Timeliness of emergency response
Amber to Red ↓	OCC04 Effective financial management and governance
Green to Red ↓	OCC22 Infrastructure delivery supports growth

October performance summary:

October represents an improved monthly performance since August. This was the last time only monthly indicators were reported, September's reporting included quarterly indicators. Since August we have seen.

- Significantly more green indicators (+16%)
- Significantly fewer amber indicators (-25%)
- Only slightly more red indicators (+3%)

Financial year tracking of Indicators

Month	Green	Amber	Red	Total
April	13	2	6	21
May	11	4	7	22
June (Q1)	13	5	5	23
July	12	5	5	22
August	10	6	6	22
September (Q2)	15	7	4	26
October	14	2	7	23

Figure 2 - Please note that the total number of indicators fluctuates June and September reports include quarterly indicators, hence the higher number of measures and one additional measure introduced from May.

8. Performance Exceptions

This section of the report details each Red or Amber (consecutive for two months) indicators with supporting commentary from the Directorate including risk and financial implications of the current performance.

OCC04: Effective financial management and governance - Director: Lorna Baxter

Financial Year to date performance		
April (Green)	May (Amber)	June (Green)
July (Amber)	August (Amber)	September (Amber)
October (Red)	November	December
January	February	March

This indicator's RAG status is the result of the sum of performance of seven measures, three of them reporting Amber and four reporting Red. Below table illustrates the measures performing under target

Measure	Status
OCC04.02 Total outturn variation for the dedicated schools grant (DSG) funded services	Red
OCC04.05 % of agreed invoices paid within 30 days	Amber
OCC04.06 Invoice collection rate - Corporate Debtors	Amber
OCC04.08 Debt requiring impairment - ASC contribution debtors	Red
OCC04.09 Average cash balance compared to forecast average cash balance	Red
OCC04.10 Average interest rate achieved on in-house investment portfolio	Red
OCC04.13 Invoice Collection Rate – ASC contribution debtors	Amber

Comments from directorate: Financial Management is being highlighted as Red in terms of performance; with the particular measures that are outside of target levels detailed in Annex A and Annex C. The performance across the four red indicators is due to external factors, and not system or management issues. The financial implications are reflected in Annex C, but are limited in terms of impact, and there is no increased risk to the financial resilience of the council. The Adult Social Care debt requiring impairment is higher than last year and above the target level, however this figure is inflated due to the number of people being defaulted to full cost as the impact of the approach taken during the pandemic; therefore, this may not represent the true debt position. New procedures are in place and the impairment figure is expected to reduce by the year end as a consequence. High needs demand continues to impact on the DSG (Dedicated Schools Grant) Outturn Variation target. The position in Oxfordshire reflects the national picture of increasing High Needs demand. The risk LR3 covers this on the Leadership Risk Register.

Risk impact	LR3 High needs block funding – has a residual score 15 (Medium Risk Score), which remains the same as the previous month taking into consideration the current situation.
Financial impact	Limited in terms of impact, and there is no increased risk to the financial resilience of the council.

OCC06 Timeliness of emergency response - Director: Steve Jorden

Financial Year to date performance		
April (Red)	May (Amber)	June (Red)
July (Red)	August (Red)	September (Red)
October (Amber)	November	December
January	February	March

This indicator's RAG status is the result of the sum of performance of three measures, all three being Amber. Below table illustrates the measures performing under target

Measure	Status
More people alive due to 365 Alive prevention, protection and emergency response activity	Amber
% of emergency call attendances made within 11 minutes	Amber
% of emergency call attendances made within 14 minutes	Amber

Comments from directorate: The average response time for this year is 8:37 which is an improvement on last year (8:54 minutes); of the 584 emergency incidents in October 82 were over our 14 minute response time. Our service priorities continue to look to increase the availability of fire engines in rural areas which is a key factor in our response times - work includes further recruitment, training for competence and retention of our on-call firefighters; better use of wholtime firefighter deployments and agile working by office-based staff to support station availability. All these areas are monitored by the Community Safety Services performance framework.

Risk impact	A timely response to the majority of incidents is associated with improved outcomes at the incident. A serious delay for any reason will warrant investigation and presents a reputational risk.
Financial impact	Resourcing of the programme of work to improve our response standards has a financial impact on our budget but this pressure is managed within the budget.

OCC13 Household waste re-used, recycled or composted - Director: Bill Cotton

Financial Year to date performance		
April (Red)	May (Red)	June (Red)
July (Red)	August (Red)	September (Red)
October (Red)	November	December
January	February	March

This indicator's RAG status is the result of the sum of performance of six measures, three of them reported Red and three Amber. Below table illustrates the measures performing under target

Measure	Status
Total % of household waste which is reused, recycled or composted	Red
% of household waste recycled	Amber
% of household waste composted	Red
% of household waste re-used	Red
% of household waste send to landfill	Amber
Average weight of waste produced per household in Oxfordshire	Amber

Comments from directorate: Although amongst the best performing councils in England, Oxfordshire councils have set themselves an ambitious target to improve further. Much of the waste which is currently disposed of could be recycled and there is a need to continue to strive to drive out that material to secure not only environmental and climate benefits but also financial benefits. Figures for October are the forecast end of year performance and is the combined effort of OCC and the City and District Councils. Forecasts continue to be variable and have been impacted by the suspension of garden

waste collections in South Oxfordshire and the Vale of White Horse districts at the beginning of August. Achieving the overall recycling target for this year will be challenging and will require coordinated working by all partners across the Oxfordshire Resources and Waste Partnership. Waste tonnages overall remain above pre-Covid levels continuing from last year's exceptional high volume during the Covid pandemic.

Risk impact	There is a service level risk that failing to meet the Joint Municipal Waste Management Strategy targets for reuse, recycling and composting will lead to additional costs as disposal is more expensive than recycling. This does not need to be escalated.
Financial impact	At this stage this does not impact significantly on finances.

OCC15 We provide help early on so children are less likely to be in need - Director: Kevin Gordon

Financial Year to date performance		
April (Green)	May (Red)	June (Amber)
July (Amber)	August (Red)	September (Red)
October (Red)	November	December
January	February	March

This indicator's RAG status is the result of the sum of performance of three measures, all three being Red. Below table illustrates the measures performing under target

Measure	Status
Numbers of contacts into the MASH	Red
Number of early help assessments completed by health visitors	Red
Number of social care assessments	Red

Comments from directorate: During 2020/2021 the number of contacts into the MASH rose by 35%. This growth has continued so far during 2021/22, albeit at a slower rate, and the figure for the first 6 months of this year, 13,746 is 16% higher than last year. The council has funded 7 additional staff members to help mitigate this increase. The low number of assessments by health visitors may be exacerbated by a lag in recoding assessments. For social care assessments the last 2 weeks in October had a high level of incoming assessments, which meant that for the month the figure was worse than target. However, across the year the figure remains below (better than) target.

Risk impact	LR1 Demand management – Children has a residual score 20 (High Score Risk), which takes into consideration the current situation.
Financial impact	No variance is reported due to the additional funding via Covid 19 budget for 7 workers. The deployment of the additional funding is pegged to activity levels – 1 worker per 1000 contacts per annum. At present activity levels are higher than pre covid levels by nearly 50%

OCC16 The number of children looked after - Director: Kevin Gordon

Financial Year to date performance		
April (Amber)	May (Amber)	June (Amber)
July (Amber)	August (Red)	September (Red)
October (Red)	November	December
January	February	March

This indicator's RAG status reflects the performance of one measure, which is reporting Red for October. Below table illustrates the measure performing under target

Measure	Status
Number of Children we care for	Red

Comments from directorate: The number of cared for children is increasing marginally as fewer children are leaving the care system. This is in line with what is happening in other areas of the country as the impacts of Covid and lockdown are seen in the rising complexity of children's needs and excessive delays in court timeframes. We engage in regular liaison with the Family Courts to try and speed up processes. Also, the implementation of the Family Solutions Plus service is showing good early impact in preventing new entries to care. In 2020/21, 288 children entered the system this was 14% lower than the average across the previous 5 years and the lowest annual figure for over 6 years.

Risk impact	LR5 Demand management - Children has a residual score 20 (High Score Risk), which takes into consideration the current situation.
Financial impact	The financial impact of the number of children in care not reducing is at present relatively small. The largest financial impact is in the significant increase in the weekly cost of residential placements (£1.7million). Since April there has been an increase of 10.8% in the unit cost of residential placements.

OCC17 Number of child protection plans - Director: Kevin Gordon

Financial Year to date performance		
April (Green)	May (Green)	June (Amber)
July (Green)	August (Amber)	September (Red)
October (Red)	November	December
January	February	March

This indicator's RAG status reflects the performance of one measure, which is reporting Red for October. Below table illustrates the measure performing under target

Measure	Status
OCC17.01 Number of child protection plans	Red

Comments from directorate: The number of children subject of child protection plans has stabilised but is higher than the start of the year. The rise is impacting on caseloads. High caseloads mean workers have less time to work with individual families; in some areas of the service caseloads are 40% higher than target levels

Risk impact	LR4 Recruitment and Retention of Children's Social Workers has a residual score 16 (High Score Risk), which takes into consideration the current situation.
Financial impact	An overspend of £1.1m in social work teams due to the need to use agency staff and an additional £0.8m allocated to this service from the Covid reserve to help meet demand.

OCC18 Timeliness completing Education, Health & Care Plans - Director: Kevin Gordon

Financial Year to date performance		
April (Amber)	May (Red)	June (Red)
July (Red)	August (Red)	September (Red)
October (Red)	November	December
January	February	March

This indicator's RAG status reflects the performance of one measure, which is reporting Red for October. Below table illustrates the measure performing under target

Measure	Status
% of Education Health & Care Plans completed within 20 weeks	Red

Comments from directorate: Performance is below target and has been falling since October last year. This is being driven by increased demand for Statutory Assessment. Teams are staffed to deal with an average of 10 requests a week, but so far this year there have been an average of 30 per week. Demand is currently 7% higher than last year. The impact of the increased demand is not only felt within the Special Education Needs Casework team, but across all teams who help complete the assessment and who similarly do not have capacity within their services. There is a particular pressure on the availability of educational psychologists. This is a national issue. We have contracted some external services for short term help with the backlog of annual reviews. Additional capacity is being added to the SEND casework team in order to reduce caseload and help with staff retention and our ability to better meet statutory assessment deadlines.

Risk impact	LR1 Demand management – Children has a residual score 20 (High Score Risk), which takes into consideration the current situation.
Financial impact	We are seeking to draw down some of the Covid reserves to deal with some of this demand pressure for SEND

OCC22 Infrastructure Delivery Supports Growth - Director: Bill Cotton

Financial Year to date performance		
April (Green)	May (Green)	June (Red)
July (Red)	August (Red)	September (Green)
October (Red)	November	December
January	February	March

This indicator's RAG status reflects the performance of one measure, which is reporting Red for October. Below table illustrates the measure performing under target

Measure	Status
Percentage of the Capital Programme delivered in line with budget	Red

Comments from directorate: This measures the capital infrastructure major programme. 66% of the revised programme for 21/22 has been spent or committed as at end of October 2021. A number of major schemes across the programmes are forecast to enter into construction contracts in this financial year. The expected year end outturn position is 88% of the revised budget against a target of 95%.

Risk impact	LR8 Capital Infrastructure Programme Delivery has a residual score of 20 (high risk), which takes into consideration the current situation.
Financial impact	At this stage this does not impact significantly on finances.

9. October business management and monitoring performance highlights:

- **We listen to our diverse residents to ensure that we can continuously improve our services**

The Registration Service has resumed holding group citizenship ceremonies in County Hall after a long period of holding virtual ceremonies only, due to the Covid pandemic. The ceremonies, which are held on a weekly basis, are attended by 30 citizens from many different countries and by a Deputy Lieutenant who gives the citizens a formal welcome to the county of Oxfordshire. Everyone involved is thrilled to be almost back to normal with these ceremonies - in the New Year we hope to start inviting guests to attend and a photographer and then it really will be back to normal.

- **We tackle inequality, help people live safe & healthy lives & enable everyone to play an active part in their community**

People in Oxfordshire from different backgrounds were encouraged to share their lived experiences as part of a new year-long storytelling campaign that was launched on World Mental Health Day (Sunday 10 October) by Oxfordshire County Council and its partners. The theme for this year's World Mental Health Day was 'Mental Health in an Unequal World'. The COVID-19 pandemic had a tremendous impact on people's mental health and brought to light the social, economic, and health inequalities faced by many.

- **We provide services that enhance quality of life and we take action to reduce the impact of climate change & protect the local environment**

Hundreds of tonnes of material that was previously treated as waste and which needed to be safely and expensively disposed of was used to help repair Oxfordshire's roads. Oxfordshire County Council is working with its contractor Milestone and its partner OCL Regeneration to make use of the toxic tar-bound material that is removed during road and path resurfacing work. The recycled material has been used in road maintenance projects at 11 different sites in Oxfordshire between 11 October - 3 November. The process is an example of the 'circular economy' – where waste products are utilised, rather than disposed of – and will save money, reduce carbon emissions, and minimises the need for new materials.

- **We strive to give every child a good start in life and protect everyone from neglect**

In October the Department for Education released comparative data for the autumn and spring terms 2020/21. Nationally there was an improvement in overall attendance and lower persistent absence rates in primary and secondary schools, Oxfordshire saw an even more noticeable improvement in both measures with:

- Primary schools in the top quartile nationally for both measures – ranked 25th out of 151 local authorities
- Secondary schools – persistent absence rates improved by 4%pts (1%pt nationally) and Oxfordshire now ranks 37th nationally (from 105th in 2017/18).

- **We enable older and disabled people to live independently and care for those in greatest need**

The Oxfordshire Way vision continues to be implemented to support people living independently. Live Well Oxfordshire visits have increased by 94% since April as proactive and preventative community outreach is being prioritised throughout our teams by encouraging staff to update the site with localised community resources, increasing signposting opportunities.

10. Leadership Risk management update:

October update - There were no score changes to the Leadership Risk Register during October.

New risks – One new risk has been added “LR22 Deprivation of Liberty Authorisations (Care Homes and Community)”. For further details please check Annex B.

Risk Ref	Risk Title	Residual Risk Score	D'tion of travel	Latest Update
LR1	Demand management - Children	20 High Risk	↔	Control Assessment Updated
LR2	Safeguarding of vulnerable children	15 Medium Risk	↔	Comments Updated
LR3	High needs block funding	15 Medium Risk	↔	Comments Updated
LR4	Recruitment and Retention of Children's Social Workers	16 High Risk	↔	Control Assessment, Mitigating Actions & Comments Updated
LR5	Insufficient placement availability for children we care for	20 High Risk	↔	Mitigating actions Updated
LR6	Safeguarding of vulnerable adults	10 Medium Risk	↔	Control Assessment Updated
LR7	Demand management - Adults	12 Medium Risk	↔	Comments Updated
LR8	Capital Infrastructure Programme Delivery	20 High Risk	↔	Risk reviewed, no changes
LR9	Local resilience, community resilience, cohesion	8 Low Risk	↔	Risk reviewed, no changes
LR10	Management of partnerships (non-commercial)	6 Low Risk	↔	Control Assessment Updated
LR11	Supply chain management	8 Low Risk	↔	Risk reviewed, no changes
LR12	Corporate governance	2 Low Risk	↔	Comments and Mitigating Actions Updated
LR13	Workforce management	9 Low Risk	↔	Comments Updated
LR14	Organisational Change and Service Design	12 Medium Risk	↔	Control Assessment & Comments Updated
LR15	Financial resilience	10 Medium Risk	↔	Comments Updated
LR16	Health and Safety	8 Low Risk	↔	Control Assessment Updated
LR17	Business Continuity and recovery plans	8 Low Risk	↔	Risk reviewed, no changes
LR18	Cyber security	12 Medium Risk	↔	Comments updated
LR19	ICT Infrastructure	8 Low Risk	↔	Comments updated
LR20	Covid-19. Assurance that the Council can maintain and initiate new services and support to those impacted by the coronavirus	9 Low Risk	↔	Control Assessment Updated
LR21	Construction, Resources and Skills Shortages	16 High Risk	↔	Risk reviewed, no changes
LR22	Deprivation of Liberty Authorisations (Care Homes and Community)	10 Medium Risk	New	New

11. Summary of the Council's financial position

11.1 This report is the fifth financial monitoring information for the 2021/22 financial year and covers the period up to the end of October 2021. This report focuses on key issues, risks, and areas of emerging pressure.

11.2 The table below sets out that there is a forecast overspend of £2.6m or 0.5%. Further detail is set out in the directorate sections below. Where variations to the budget are reported, management action is being taken and the forecast is likely to change by the end of the year.

Directorate	Latest Budget	Forecast Spend	Variance October 2021	Variance October 2021	Variance September 2021	Change
	£m	£m	£m	%	£m	£m
Children's Services	139.7	142.3	2.6	1.9	2.4	+0.2
Adult Services	198.9	198.9	0.0	0.0	0.0	
Public Health	0.2	0.2	0.0	0.0	0.0	
Environment & Place	61.2	62.9	1.7	2.8	1.3	+0.4
Customers, Organisational Development & Resources	33.4	33.1	-0.3	-0.8	-0.3	
Commercial Development, Assets and Investments	50.7	49.3	-1.4	-2.8	-2.0	+0.6
Total Directorate Budgets	484.1	486.7	2.6	0.5	1.4	+1.2
Corporate Measures	-484.1	-484.1	0.0	0.0	0.0	
Total Forecast Position	0.0	2.6	2.6	0.5	1.4	+1.2

11.3 General Balances were £34.6m at 31 March 2021 and are forecast to be £32.0m by 31 March 2022 after taking account of the current forecast directorate overspend of £2.6m. This compares to the risk assessed level of £28.8m for 2021/22 which is equivalent to 6.0% of the net revenue budget.

11.4 The 2021/22 budget includes planned directorate savings of £16.1m. £12.1m or 75% are expected to be delivered by year end with work continuing to achieve the rest. Any budget pressures arising from the non-delivery of any savings form part of the Directorate positions reported above.

11.5 £2.6m or 16.4% are rated amber. These mainly relate to the £2.0m savings in Adult Social Care reducing the demand pressures in the pools by 1%. By

increasing the focus on maximising use of residential and nursing beds available through existing block contracts and minimising the length of any vacancies and looking for creative ways to meet needs at lower cost while also helping people to be as independent as possible spend was reduced by around 1% in the second half of 2020/21 with an on-going full year effect of £2.0m from 2021/22. The process to maintain the saving is on-going so the saving is currently shown as amber until there is more certainty about the position later in the year. However, the forecast spend across the pools is being managed within the funding available.

- 11.6 £1.3m or 8.3% are rated red. £1.2m relate to savings within Environment and Place and predominately relate to the delay in the realisation of the Community Redesign saving of £1.2m. In-year mitigations are being sought to minimise the financial impact.
- 11.7 To date, £1.4m has been transferred to Children's Services to support pressures in Education and Children's Social Care along with the further drawdown of £1.0m agreed by Cabinet on 21 September 2021 to cover COVID-19 expenditure incurred by directorates between April and June 2021. Cabinet is recommended to approve the transfer of £1.1m relating to Covid-19 costs incurred between July and September 2021 as set out in Annex 2b. A total of £8.9m is forecast to be spent in 2021/22. After this has been transferred there will be a balance of £23.4m which includes £4.9m for Local Council Tax Support Scheme. The 2022/23 Budget and Business Planning process include proposals for the use of the remaining reserve over the Medium Term Financial Strategy. It remains difficult to predict what further resources will be needed during the winter and the forecast will be updated in future reports.
- 11.8 See Annex C for further details and commentary.

<p>CLAIRE TAYLOR Corporate Director for Customers, Organisational Development and Resources</p>	<p>LORNA BAXTER Director of Finance</p>
--	--

Contact Officers:

Louise Tustian, Head of Insight and Corporate Programmes – 07741 607452

Kathy Wilcox, Head of Financial Strategy – 07788 302163