

## CABINET REPORT

### BUSINESS MANAGEMENT AND MONITORING REPORT

July 2023

Report by the Director of Finance

#### RECOMMENDATION

**1. The Cabinet is RECOMMENDED to**

- a) note the report and annexes.
- b) approve the virement in Annex 2a.
- c) note the use of £0.5m one – off funding (over the next two years) held in the COVID-19 reserve to further extend capacity needed within the Complaints and Freedom of Information (FOI) team within the Customer Service Centre.

#### Executive Summary

2. The business management reports are part of a suite of performance, risk and budget documents which set out our 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 July 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 July 2023

Annex B: Finance as at July 2023

Annex C: Digital Inclusion Strategy

Annex D: Food Strategy Action Plan

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 2023/24 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 is comprised of 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 July 2023 the indicators were rated as follows:

Reporting Period	Green		Amber		Red		Monitoring only/Data Unavailable		Total
Monthly	27	57%	8	17%	7	15%	5	11%	47

Table 1: Summary of July 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 47 measures reported in July 2023 (Table 1):  
 27 (57%) of the measures were reported as Green (meeting or exceeding target) in July.  
 Eight (17%) were rated as Amber (misses target by narrow margin), of which six were Amber or Red for 2+ months.  
 Seven (15%) were rated as Red (misses target by a significant margin).
9. This bi-monthly Cabinet report is the second of 23/24. 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
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

Table 2: Comparison of monthly reporting measures for Financial Year 2023/24. \*April and June 2023 do not include measures from priority OCC11 (finance).

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

Performance measures reporting Red for July 2023 (Six Measures)
OCC05.03 91Km (2%) of the highway to be treated.
OCC11.01 Overall forecast revenue variance across the Council
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 budget.
OCC11.11 Debt requiring impairment – Adult Social Care Contribution debtors.

Table 3: Red RAG Status Measures July 2023 Reporting Period

11. This table indicates the direction of travel of measures compared to June 2023.

Status changes – June 2023 to July 2023	
Red to Green	None
Amber to Green	OCC10.04 First contact resolution for customer enquiries received by the Customer Service Centre. OCC11.09 Invoice Collection rate – Corporate debtors.
Red to Amber	OCC07.05 The percentage of children in residential care.
Green to Amber	OCC09.02 Participation in innovation funding bids or new projects in support of Living Oxfordshire.
Amber to Red	None
Green to Red	OCC05.03 91 KM (2%) of the highway to be treated.

	<p><b>OCC11.01</b> Overall forecast revenue variance across the Council</p> <p><b>OCC11.03</b> General balances are forecast to remain at or above the risk assessed level</p> <p><b>OCC11.04</b> Directorates deliver services and achieve planned performance within agreed budget.</p>
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Table 4: Change in Performance across June 2023 to July 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 13 exceptions, six measures that have a Red rating and the seven 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 July 2023: one is measured as Amber the other is reporting as Green.



Figure 1: Priority OCC01 Monthly performance for 2023/24 financial year

Measure:	June Status:	July Status:	Director:
OCC01.07: Total % of household waste which is reused, recycled or composted	Amber	Amber	<b>Bill Cotton</b>

Table 5: Priority OCC01 Measure Exceptions - July 2023

**OCC01.07:** Waste performance is reported a month in arrears and the figure reported is the forecast end of year performance for 2023/24. Defra's most recent published statistics for Waste Disposal Authorities for 2021/22 confirmed Oxfordshire first for the overall percentage of waste reused, recycled or composted with a recycling rate of 58.2%, compared to Devon in second place at 55.1%, and Surrey 3rd at 54.4%. However, the indicator is below target because recycling rates have plateaued for some time despite continued behavioural change campaigns and encouraging residents to use the exiting recycling collections better. A step change is needed to meet Oxfordshire Joint Municipal Waste Management Strategy targets, which can only be made by the district councils and OCC acting together. Government waste policy changes are expected that could have a significant impact, but these have been repeatedly delayed by Defra. The District Councils are unable to commit investment in significant changes in collection services until they have clarity on what the Government will mandate. This is a national issue affecting all local authorities. There has been some progress. In January 2023 Defra published its consultation response on introducing a Deposit Return Scheme (DRS) for drinks containers from October 2025. However, in July Defra announced the delay of Extended Producer Responsibility (EPR) for packaging until October 2025 to avoid the risk of causing inflationary pressures. This will allow more time for preparation and Defra are continuing to engage with the public sector and manufacturers on the scheme details. Defra also confirmed that implementation of consistent collections changes are deferred until after the introduction of EPR. There has been no announcement of what changes will be required. In the meantime, the national waste industry bodies continue to lobby on this issue, and locally campaign work to inform residents and encourage behaviour change is continuing including this summer a door knocking campaign on food waste recycling

across the county.

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

This priority has eight measures being reported in July 2023: The performance RAG ratings are as follows; One measure is reporting as Red, One as an Amber, four as Green and two as monitoring only.



Figure 2: Priority OCC04 Monthly performance for 2023/24 financial year

Measure:	June Status:	July 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 5: Priority OCC04 Measure Exceptions - July 2023

**OCC04.04:** Performance remains in line with the national position. Fewer than 20 people would need to transfer to direct payments in the year to be on target. There are 3 key actions to stabilise this measure; Review of individual team performance at the monthly performance board, 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. Increased communications to teams to actively promote direct payments.

**OCC04.05:** The number of older people supported to live at home continues to increase, as does the number of hours of support provided overall. Performance is marginally below the 60% target, but this is not a significant concern as some fluctuation is expected. The number of older people supported to live at home has grown by 3% in the year so far.

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

This priority has one measure being reported in July 2023: the measure has a Red performance rating.



Figure 2: Priority OCC05 Monthly performance for 2023/24 financial year

Measure:	June Status:	July Status:	Director:
OCC05.03 91 KM (2%) of the highway to be treated	Green	Red	Bill Cotton

Table 6: Priority OCC05 Measure Exceptions - July 2023

**OCC05.03:** This is reporting as red for July however Green (on track) forecasted for the YTD position. Total planned surfacing for the year remains sufficient to meet the target and this is

supported by YTD actuals being broadly consistent with the YTD Target. In period target shortfall is due to refinement of programme delivery dates for operational reasons.

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

This priority has seven measures being reported in July 2023: The RAG ratings are reported as follows; three Green measures, two Amber measures and two monitoring only.



Figure 4: Priority OCC07 Monthly performance for 2023/24 financial year

Measure:	June Status:	July Status:	Director:
<b>OCC07.03</b> Number of multi-agency strength & needs assessments completed in Oxfordshire	Amber	Amber	Anne Coyle
<b>OCC07.05</b> The percentage of children in residential care	Red	Amber	Anne Coyle

Table 7: Priority OCC07 Measure Exceptions - July 2023

**OCC07.03:** A target of 7,500 has been agreed by the children's trust for the year. Last year 3,599 early help assessments were shared with the council. The 7,500 target will need this figure to double. The figures in the four months of this year are 2.4% higher than the same period last year. A new Assistant Director post is being recruited to lead on this work with partners.

**OCC07.05:** The proportion of children supported in residential care home placements has decreased by 1% in the month, against a backdrop of 46 fewer children we care for since March 2023. Our priorities for the year include converting OCC building to provide 11 beds of supported accommodation for 16-17 Unaccompanied Asylum Seeking Children (UASC) Launching a 16+ supported housing framework in July 2023. Uplift fostering fees in line with government recommendations of 12%. To increase number of in-house foster carers through targeted campaigns. Commissioning the following services for Children & Young People (CYP) with complex needs. 4 solo beds within Oxfordshire or surrounding LA areas. Setting up two solo / small homes under the DfE programme to be run by OCC. Changing an existing children's home with Homes 2 Inspire to a solo / small children's home. Increasing in-house children's homes placements by 16. Increasing the cross regional block contract by 3 beds. Commissioning new solo bed contract in Oxfordshire or surrounding LA areas.

### 17. Priority OCC10: Running the business - Customer Contact

This priority has nine measures being reported in July 2023: The RAG status are as follows; seven Green measures, one Amber measure and one Red measure.



Figure 5: Priority OCC10 Monthly performance for 2023/24 financial year

Measure:	June Status:	July Status:	Director:
<b>OCC10.05</b> The percentage of customer telephone calls abandoned at the customer service centre.	<b>Amber</b>	<b>Amber</b>	<b>Mark Haynes</b>

Table 8: Priority OCC10 Measure Exceptions - July 2023

**OCC10.05:** It is pleasing to note that the percentage of abandoned calls reduced to the lowest figure this year. A reduction from 17% in June to 11% in July was a noticeable improvement. The number of calls offered (total demand including those calls that we did not answer) in July 2023 decreased by 13.5% compared to June 2023. When compared to July 2022, they are down 6.6%. A total of 30,157 contacts was received during July, which was down 12% compared to June (34,265). This consists of 5,296 outbound calls, 28 webchat and social media enquiries, and 12,624 emails. Across the Neighbourhood and Communities area of the Customer Service Centre, we have successfully filled three vacancies. In addition a lot of multi-skill training has happened during the month which has increased our capacity on the number of adviser's taking calls.

Other improvements implemented during July 2023:

We have also enhanced the self-service offer to our residents to improve their blue badge renewal journey, which has reduced the number of contacts received. As a result, we have seen a decrease in phone contacts for the services affected by the enhanced online offering. July has been the first full month Licensing and dropped kerb applications has been in the Customer Service Centre as part of the Environment & Place re-design programme. Work continues with the Continuous Improvement Team to review the process and make recommendations for change. Across the Social & Health Care area of the Customer Service Centre we have been able to increase the number of staff trained to handle incoming calls. Changes were also made to the (IVR) messaging signposting callers to self-serve via our website and also Live Well Oxfordshire directory. As a result, we have seen a 10% decrease in phone contacts. A new online equipment ordering form has also been introduced during the month allowing customers to self-serve on our website.

## 18. Priority OCC11: Running the business - Finance

This priority has fifteen measures being reported in July 2023: Ten are reporting as Green, two are Amber and three are Red

Annex B provides further explanation of the finance measures in the following table.



Figure 6: Priority OCC11 Monthly performance for 2023/24 financial year

Measure:	June Status:	July Status:	Director:
<b>OCC11.01</b> Overall forecast revenue variance across the Council	<b>Green</b>	<b>Red</b>	<b>Lorna Baxter</b>
<b>OCC11.02</b> Achievement of planned savings.	<b>Red</b>	<b>Red</b>	<b>Lorna Baxter</b>
<b>OCC11.03</b> General balances are forecast to remain at or above the risk assessed level	<b>Green</b>	<b>Red</b>	<b>Lorna Baxter</b>



<b>OCC11.04</b> Directorates deliver services and achieve planned performance within agreed budget.	<b>Green</b>	<b>Red</b>	<b>Lorna Baxter</b>
<b>OCC11.10</b> Debt requiring impairment – Corporate Directors	<b>Amber</b>	<b>Amber</b>	<b>Lorna Baxter</b>
<b>OCC 11.11</b> Debt requiring impairment – Adult Social Care Contribution debtors.	<b>Red</b>	<b>Red</b>	<b>Lorna Baxter</b>

Table 9: Priority OCC11 Measure Exceptions - July 2023

Please refer to Section 6 and Annex B for additional information relating to OCC11: Running the business - Finance.

### **Performance Highlights**

**19.** 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**

More Oxfordshire residents are set to benefit from cheaper bus fares as a ninth county bus provider has joined the £2 fare cap, just in time for the latest extension of the scheme.

Pulhams Coaches, which runs the 15, 15A, 19, 802 and X9 services, will charge passengers just £2 per journey from tomorrow when the next extension to the national fare cap comes into effect.

The government's £2 cap on adult single fares began on 1 January for three months to help people with the cost of living crisis but proved so popular it was extended until the end of June. Now it has been extended again until 31 October, after which fares will be increased to £2.50 until November 2024.

### **Tackle inequalities in Oxfordshire**

Oxfordshire Employment and County Print Finishers has passed its first annual reaccreditation as a RNIB Visibly Better Employer through providing evidence of the positive difference the team has made to workers experiencing sight loss over the past year.

### **Prioritise the health and wellbeing of residents**

Oxfordshire Trading Standards have taken part in a London and Southeast project which received **£22,500 funding to install doorbell cameras to deter rogue traders and help people feel safer from doorstep crime**. In total 79 products were purchased. The doorbell cameras were offered to the most vulnerable, and those who had already been victims of doorstep crime. Key findings of the project identified the cost benefit ratio of the project was 48:1 i.e., every £1 spent saved £48. Initial findings have shown a dramatic improvement in wellbeing, confidence and general happiness. The average wellbeing score prior to installation was 24.1, after installation respondents reported an average wellbeing score of 27, an increase of 12%. 82% of respondents reported feeling more confident in answering the door.

### **Join in The Summer Reading Challenge 2023, Ready, Set, Read! At Oxfordshire libraries this summer.**

Over 1.5 million visits were made to Oxfordshire libraries in the past year, and the

summer holidays have been a great time for families to come join in the fun at one of the county's 44 libraries.

The Summer Reading Challenge 2023, Ready, Set, Read! aims to keep minds and bodies active over the summer break, empowering young people to forge new connections with others and unleash the power of play, sport and physical activity through reading. It is produced by The Reading Agency in partnership with the Youth Sport Trust.

The free challenge launched on 8 July and runs until 9 September 2023.

### **Support carers and the social care system**

**Abbie Clayton, 44 and her husband Sam, who's 46**, have been highlighted as prime examples of the county council's successful share lives scheme.

Sam grew up sharing his family home with people with additional needs through the shared lives scheme.

The innovative programme, run by Oxfordshire County Council, carefully matches adults with long term conditions with a caring household who can support them to live independently, often giving their full-time carers a chance to take a break.

And having seen what a positive experience the programme brought to his life, Sam and his wife Abbie, who are based near Wallingford in south Oxfordshire, wanted the same for their children.

**Abbie said:** "It's great to have more people in the family. Rather than detracting from the children, it makes them appreciate diversity. It's nice to see them growing up in an environment where they can provide that caring role as well. It really gives something back."

Abbie and Sam have been shared lives carers for 17 years, helping to support eight people during that time. The paid position comes with regular ongoing support and training, enabling them to feel confident that they're providing an environment for their guests to flourish.

**Abbie continues:** "The most rewarding thing is seeing people grow and develop into the people they become, pushing them that extra mile to really be independent and experience life as part of the family.

"We get as much training as we need, especially around recognising each person as an individual. We have really open communication with the shared lives team when we need it and other carers as well, so support is always available."

As part of **shared lives week, which ran from Monday 26 to Friday 30 June**, Oxfordshire County Council hosted an event for people involved in the programme, celebrating the special relationships that have formed because of the scheme. If you are considering becoming a shared lives carer please visit the webpage [Shared Lives | Oxfordshire County Council](#)

### **Invest in an inclusive, integrated, and sustainable transport network**

Oxfordshire County Council has tested seven different repair methods on same stretch of road to compare results and improve process

After a winter that saw the number of potholes reported in Oxfordshire double compared to the same period last year, a trial has taken place – believed to be the first of its kind in the UK – aimed at improving the repair process.

On Monday and Tuesday, 26 - 27 June, Oxfordshire County Council and its highways contractor Milestone Infrastructure used the road between Steventon and East



Hanney as a test site to trial seven different methods of filling in potholes or repairing minor defects requiring 'patching'. Some of these methods are already used in Oxfordshire – including the Milestone [dragon patcher](#) – while the others were new ones sourced by Milestone.

The Hanney/Steventon Road was closed and a 1km stretch was divided into sections. Each section had a different type of pothole or patch repair carried out to get a direct comparison of the various methods.

### **Create opportunities for children and young people to reach their full potential**

Staff at Oxfordshire County Council have been recognised for their work to inspire young entrepreneurs by winning a prestigious award.

The national Libraries Connected Award celebrates the achievements of library workers who have had an exceptional impact on their library service, users or their local communities.

The county council's Oxfordshire Business and Intellectual Property Centre (BIPC) team, based in Oxford Central Library in Westgate, won the children's award at the ceremony on 20 June 2023 for its work engaging hundreds of new youth participants aged eight to 25 in enterprising activities.

Oxfordshire [Business & IP Centre \(BIPC\)](#), **County Library** is working with **Oxford University Saïd Business school** to promote their international climate change competition to local young people aged 15-18. That will see finalists invited to present their climate change solutions in Dubai during COP28 and furthermore take part in a tailored Oxford University climate change programme in 2024, all fully funded [Full details](#)

On **Tuesday 29th August** OCC hosted an introduction event at BIPC Oxfordshire, where Oxfordshire young people heard more about the competition, met potential teammates and heard from Oxfordshire County Council Climate Action team professionals, in addition to being introduced to all of the BIPC and library resources to support any entry (creative boards, video recording equipment and more). The event also had Saïd Business school representatives in attendance.

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

Oxfordshire's community action groups' annual report.

It has been another incredibly busy and productive year for Oxfordshire's community action groups (CAGs), who receive their core funding from Oxfordshire County Council. This year, groups reported engaging more than 84,000 people in activities, events and outreach – nearly 12 per cent of the county's population. Volunteers contributed more than 96,000 hours of time – a 47 per cent increase on last year – to initiatives such as repair cafes, tree plantings, draught busting, community markets, bike repair training, growing food, ensuring food is not wasted but redistributed instead, and so much more. [Read the full report](#) online.

## **Strategic Risk Management Overview**

**20.** 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.

21. 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	Inherent Score	June Residual Risk Score	July Residual Risk Score	July Residual Risk Rating	Direction of Travel
01. Financial Resilience	The council is not financially sustainable in the immediate/medium term.	25	15	20	▲	↗
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. Major Infrastructure - Capital Projects	Major Infrastructure Portfolio schemes become undeliverable.	16	16	16	▲	→
04. Demand Management - Adult	The council is unable to provide the appropriate level of support for people to live well and independently in their community, remaining fit, and healthy for as long as possible.	16	12	12	●	→
05. Demand Management - Children	Level of statutory activity required by the council in relation to meeting children's needs results in significant overspend.	25	16	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.	16	8	8	★	→

Table 10: Strategic Risk Overview for July 2023 Update

## Financial Position

22. As shown below the Directorates are currently forecasting an overspend of £17.4m (3.0%). After taking account of additional interest on balances and the use of funding held in contingency and the COVID-19 reserve, the overall forecast expenditure would be £8.5m higher than the budget.

	Latest Budget 2023/24 £m	Forecast Spend 2023/24 £m	Forecast Variation July 2023 £m	Forecast Variation July 2023 %	Forecast Variation May 2023 £m	Change Since May 2023 £m
Adult Services	227.3	230.3	3.0	1.3%	0.0	3.0
Children's Services	169.0	180.0	11.0	6.5%	3.1	7.9
Environment & Place	74.6	75.6	1.0	1.3%	0.6	0.4
Public Health	3.9	3.9	0.0	0.0%	0.0	0.0
Community Safety	27.6	27.6	0.0	0.0%	0.0	0.0
Resources	69.7	72.1	2.4	3.4%	1.6	0.8
<b>Directorate Total</b>	<b>572.2</b>	<b>589.6</b>	<b>17.4</b>	<b>3.0%</b>	<b>5.3</b>	<b>12.1</b>
<b>Budgets Held Centrally</b>						
Capital Financing	28.4	28.4	0.0	0.0%	0.0	0.0
Interest on Balances	-16.7	-17.2	-0.5	3.0%	-0.5	0.0
Inflation (pending agreement of 2023/24 pay award)	6.5	6.5	0.0	0.0%	0.0	0.0
Contingency	12.4	5.4	-7.0	-56.5%	-3.3	-3.7

	Latest Budget 2023/24 £m	Forecast Spend 2023/24 £m	Forecast Variation July 2023 £m	Forecast Variation July 2023 %	Forecast Variation May 2023 £m	Change Since May 2023 £m
Un-ringfenced Specific Grants	-43.3	-43.3	0.0	0.0%	0.0	0.0
Insurance	1.4	1.4	0.1	5.3%	0.0	0.1
Contribution from COVID-19 reserve	-7.4	-8.8	-1.4	-1.5	-1.5	0.1
Contribution from Budget Priority Reserve	-2.4	-2.4	0.0	0.0	0.0	0.0
Contributions to reserves	20.0	20.0	0.0	0.0	0.0	0.0
Contribution to balances	7.6	7.6	0.0	0.0	0.0	0.0
<b>Total Budgets Held Centrally</b>	<b>6.6</b>	<b>-2.3</b>	<b>-8.9</b>	<b>-135%</b>	<b>-5.3</b>	<b>-3.6</b>
<b>Net Operating Budget</b>	<b>578.8</b>	<b>587.3</b>	<b>8.5</b>	<b>1.5%</b>	<b>0.0</b>	<b>8.5</b>
Business Rates & Council Tax funding	-578.8	-578.8	0.0	0%	0.0	0.0
<b>Forecast Year End Position</b>	<b>0.0</b>	<b>8.5</b>	<b>8.5</b>	<b>0.0</b>	<b>0.0</b>	<b>8.5</b>

Table 11: OCC Forecast Financial Position July 2023

- 23.** The forecast overspend reflects a more challenging position for 2023/24 than anticipated when the budget was set in February 2023 as well as the continuing impact of the activity that contributed to the overspend of £13.4m in 2022/23. Combined with issues in the local and national economy, including inflation and workforce shortages, this has increased the risk to the financial position for the council. At the same time, these factors have made it much more challenging to forecast activity and expenditure, placing some uncertainty around this forecast position.
- 24.** The forecast overspend for Adult Services reflects an unexpected increase in the number of residential placements expected during 2023/24. The focus for the service remains to manage within the budget available but this will require all savings to be delivered and a favourable level of demand during the remainder of the year.
- 25.** The on-going impact of underlying pressures in Children's Services which contributed to the overspend in 2022/23 remains a significant challenge in 2023/24. 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 while the overall position is worsened by further inflationary and demand increases.
- 26.** There are forecast overspends across most of the services within Corporate Services. These reflect the anticipated achievement of savings, and a mix of

staffing and inflationary pressures.

27. It is anticipated that around £5m of the £12.4m contingency budget will be needed to meet the cost of additional pay inflation in 2023/24 in addition to the £6.5m remaining budget available to support this after taking account of the Fire Pay Awards. After taking account of the use of £7.0m contingency and funding from the COVID-19 reserve to support the overall forecast position, the remaining net £8.5m overspend against the operating budget would reduce balances to £21.5m. That is £8.7m below the £30.2m risk assessed level. Were this to materialise, the level of balances for 2024/25, and funding for any top-up to that level, would need to be considered through the Budget and Business Planning process.
28. 40% 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. 60% are still assessed as amber or red. 63% of the 2023/24 savings are assessed as delivered or are expected to be delivered. Action is being taken to ensure that the delivery of both existing planned savings and new budget reductions is maximised in 2023/24.
29. The forecast 2023/24 deficit compared to Dedicated Schools Grant (DSG) funding for High Needs is £18.3m and is in line with the budget agreed 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 negative balance held in this reserve from £41.1m as at 31 March 2023 to £59.4m at 31 March 2024.
30. The Council's Management Team are working 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. Updates on the latest forecast position, which is expected to continue to be impacted by volatility in demand and inflation and evolving assessments of the ability to achieve planned savings, will be provided as the year progresses.
31. Annex B sets out further details and commentary on the Finance position.

### **Digital Inclusion Strategy**

32. Oxfordshire County Council's [Digital Inclusion Strategy](#) was approved by Cabinet in summer 2022. The strategy sets out the council's framework to enable a digitally inclusion Oxfordshire, shaped by three key priority areas (the action plan follows the same structure):
  - Digitally Inclusive Communities
  - Digitally Inclusive Service Delivery
  - Digitally Inclusive Workforce

The Digital Inclusion Strategy is now integrated with the service planning cycle, and the action plan includes actions derived from service delivery plans from across the organisation which have been further developed through conversations with colleagues. The actions support the strategy's aims and

deliver meaningful outcomes, enhanced partnership working and alignment with our overarching strategic priorities, such as tackling inequalities and the health and wellbeing of residents. All actions are aligned with one of the strategy's priority areas, though many of the actions span multiple priority areas. All actions aim to deliver benefits for the council, the sector, and residents. This action plan for the strategy, is for 2023-24, and will be reported on and reviewed at the end of the business cycle in spring 2024. Reporting on progress and outcomes will be managed within the Policy and Strategy Team. As this is early on into a five-year strategy, a review at the end of 2023/24 will enable the action plan to evolve and keep it dynamic, allowing for longer-term actions alongside more granular short-term objectives.

**33.** Further information is available in Annex C.

### **Food Strategy Action Plan**

**34.** The Oxfordshire County Council Food Strategy Action Plan was created to follow the Oxfordshire Food Strategy, which was drafted in partnership with Good Food Oxfordshire and other stakeholders in the food system around Oxfordshire and was approved by Cabinet in May 2022. The Action Plan gathers council-owned actions in various directorates which help deliver tangible outcomes to the food strategy ambitions of fairer, greener, healthier food for all across the county, enabling better partnership working and monitoring of these actions. The action plan will be managed internally and included in the annual performance report; this will assist in maintaining momentum on food actions, ensuring that our priorities are met and evolving according to Oxfordshire's needs. It will also foster joined-up, productive working, both within the Council and in conjunction with District Action Plans, which can give us ideas about Council initiatives in the future.

**35.** Further information is available in Annex D.

### **Financial Implications**

**36.** 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. On-going impacts have been considered through the Budget & Business Planning process for 2023/24. Strong financial management and oversight will be required to ensure that services are managed within budgets for 2023/24.

Comments checked by: Lorna Baxter, Director of Finance

### **Legal Implications**

**37.** 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.

**38.** 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 July 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**

Director of Finance

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