



**COTSWOLD
DISTRICT COUNCIL**

Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET – 7 SEPTEMBER 2020
Report Number	AGENDA ITEM 12
Subject	FINANCIAL, COUNCIL PRIORITY AND SERVICE PERFORMANCE REPORT – 2020-21 QUARTER ONE
Wards affected	All
Accountable member	All relevant Cabinet Members
Accountable officer	Christine Gore, Interim Chief Executive Tel: 01285 623605 Email: christine.gore@cotswold.gov.uk
Summary/Purpose	To provide an update on progress on the Council’s priorities and service performance To provide information on the Council’s financial position
Annexes	Annex A - Council Priorities report Annex B - Performance indicator report Annex C1 - Revenue Summary and Variances Annex C2 – Forecast Variances Annex D - Summary of gross capital expenditure
Recommendation/s	<i>That Cabinet reviews overall progress on the Council priorities, service delivery and financial performance for 2020-21 Q1</i>
Corporate priorities	Respond to the challenges presented by the Climate Change Emergency Deliver good quality social rented homes Present a Local Plan which is Green to the Core Ensure that all services delivered by the Council are delivered to the highest standard Help residents, businesses and communities access the support they need to achieve their ambitions
Key Decision	NO
Exempt	NO
Consultees/ Consultation	None

1. BACKGROUND

- 1.1.** In September 2019, the high level council aim and priorities were adopted by Council; a further update was expected in May 2020. The impact of Covid-19 has partly delayed the more detailed work, but has presented an opportunity to re-examine the Council's priorities as part of the Covid-19 recovery work.
- 1.2.** A new performance management framework is being developed; a much broader framework than previous frameworks. It sets out six key strands of information on which assurance needs to be provided, with a key shift in focus from performance monitoring to performance management:
 - Business analytics and service assurance
 - Place based measures and comparators
 - Business Plan strategic actions
 - Council Plan priority actions
 - Project and programme management assurance
 - Risk and opportunity management
- 1.3.** As part of the Business Analytics and Service Assurance strand, an initial review of performance indicators has been completed. Significant work is still required and it is expected that the indicator set will flex as priorities change and gaps are identified.
- 1.4.** This report is the first iteration of the newly styled performance report; it will evolve in line with the emerging Performance Management Framework as well as feedback from senior officers and Members.
- 1.5.** A high level commissioning statement was approved by Cabinet in January 2020 which sets out the relationship between Publica and the Council and their respective responsibilities. The Executive Director (Commissioning) is accountable to the Council for the services commissioned from Publica, and also for the services commissioned by Publica from third parties on behalf of the Council. Publica must ensure that it provides the necessary information to the Council so it can assess whether the commissioned services are being delivered in accordance with the agreed quality and standard. The Council's Interim Chief Executive is responsible for reviewing and approving the information provided in this report prior to its publication.
- 1.6.** The Council's Interim Chief Executive has received a report on progress towards achieving the Council's priorities and service performance. She has assessed performance in line with the high level commissioning statement, and confirms that overall, services have been delivered to the agreed quality and standard. She has also noted the significant impact of Covid-19 on communities, customers, services, and staff, and draws attention to the following:
 - When the nation went into lock down, a significant number of staff were redeployed to support our communities. The speed at which mechanisms were set up to deal with the response was impressive, for example the Community Help Hub, and the processing of business grants.

- Many services have continued to operate without any visible reduction in service delivery, with the majority of staff working from home. Some services have had to adapt and change the way that they do business which is also presenting opportunities for doing things differently in the future.
- The impact of Covid-19 on some services has been severe, and some services have had to close, for example, our leisure centres. In addition, the Council suspended car parking charges during the lock down, and enforcement activities were suspended from 23 March to 15 June 2020; these suspensions have had a significant impact on parking income. The use of the Council's car parks is steadily increasing but is not yet back to pre-Covid-19 levels. On a more positive note, the Council is providing free car parking permits for NHS staff and other care workers.
- The delivery of affordable housing, one of the Council's priorities, was also impacted by Covid-19. Delivery schedules are expected to be delayed by approximately three months, and sites will need to ensure that social distancing and hygiene are managed, as well as reconfiguring and increasing welfare facilities.

2. COUNCIL PRIORITY REPORT

- 2.1.** During Q1, the Council's main priority was the response to Covid-19 and the commencement of the recovery phase; and this is the key theme running through this report. However, some progress against the high level priorities has been achieved (see Annex A); for example a climate change strategy and housing delivery strategy have both been prepared and will be considered by Cabinet at this meeting.

3. SERVICE PERFORMANCE REPORT

- 3.1.** During Q1, some services had to cease while other services had to find new ways of working in response to Covid-19. Overall, many services have performed well with no visible reduction in quality or standard. A full report is attached at Annex B.

4. FINANCIAL PERFORMANCE

Financial Performance (Revenue)

- 4.1.** The Council set its budget for the 2020/21 financial year on 26th January 2020, just before the Covid-19 lockdown. Demand has been lower for many of the Council's income generating services, especially car parking, leisure services, planning and building control. In addition, the Council has faced pressures on its expenditure budgets. In particular, providing emergency accommodation for individuals and families facing homelessness, collecting additional waste and recycling materials and ensuring that the Council's leisure contractor was able to fulfil its contractual obligations to ensure the Council's leisure centres and museum were adequately maintained and managed while they were closed to the public.
- 4.2.** The Council has regularly reported the impact upon Covid-19 on its finances to the Government. In response the Government has provided three tranches of grant funding in recognition of expenditure pressures. The Government has also promised additional funding to compensate for income losses, although no funding has yet been received for this.

- 4.3. The financial impact of Covid-19 has been felt across the Council services and therefore across many of the service budgets. This report sets out the income and expenditure variances against the original budget approved by Council in February both the actual performance against the profiled budget for the period April to June 2020 and the forecast budget variances for full financial year.
- 4.4. The detailed budget variances for the first quarter are set out at **Annex C1**. The forecast variances for the full financial year are set out in **Annex C2**. The forecast impact of Covid-19 on the Council's income budgets is £2.8 million and the impact upon the expenditure budgets is £1.0 million, £3.8 million in total. Government grants of £1.2 million have been received in recognition of expenditure pressures and the additional burden of administering £37.4 million of funding for grants to businesses in the district. The estimate of the grant promised in recognition of income losses is £1.5 million. In total Government support is forecast to be around £2.8 million for the year, leaving a gap of £1 million which will need to be funded.
- 4.5. Cabinet will be considering a revised budget for 2020/21, which addresses the forecast budget gap, as a separate item at this Cabinet meeting.

Capital Activity

- 4.6. Details of capital expenditure are set out at **Annex D**.

Capital receipts and disposals

- 4.7. There were no capital receipts and no disposals during the first quarter of the financial year.

5. LOCAL GOVERNMENT OMBUDSMAN (LGO) ANNUAL REVIEW 2019/20

- 5.1. The Annual Review Letter 2019/20 sets out the complaints that were made against the Council in 2019/20, as well as the outcome of those complaints.
- 5.2. In total, the LGO received six complaints/enquiries about this Council, four of which were related to Planning and Development. In the previous year, the Council received four complaints/enquiries, of which three related to Planning and Development.
- 5.3. Seven decisions were made by the LGO in 2019/20; one complaint was referred back to the Council for a local resolution; and three complaints were investigated in detail.
- 5.4. Of the three Planning and Development complaints that were investigated in detail, the LGO upheld one complaint. The LGO is satisfied that the Council has implemented the recommendation made in connection with this complaint and that 'the Council will share this decision with relevant staff and remind staff that they must clarify with Members whether a planning application should be decided by a Committee when agreed changes to a development have not been secured'.

6. OVERVIEW AND SCRUTINY COMMITTEE

- 6.1. This summary performance report will be reviewed by the Overview and Scrutiny Committee at its Meeting on 1 September 2020; and any comments from that Committee will be reported to the Cabinet.

7. FINANCIAL IMPLICATIONS

As described in section 4 of the report.

8. LEGAL IMPLICATIONS

None

9. RISK ASSESSMENT

Contained within the report.

10. ALTERNATIVE OPTIONS

None

11. BACKGROUND PAPERS

None