



Council Name	COTSWOLD DISTRICT COUNCIL
Name and Date of Committee	CABINET – 3 OCTOBER 2022
Report Number	AGENDA ITEM 9
Subject	FINANCIAL, COUNCIL PRIORITY AND SERVICE PERFORMANCE REPORT – 2022-23 QUARTER ONE
Wards Affected	All
Accountable Member	All relevant Cabinet Members
Accountable Officer	Robert Weaver, Chief Executive Email: <a href="mailto:robert.weaver@cotswold.gov.uk">robert.weaver@cotswold.gov.uk</a>
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 - Warm and Well annual performance report 2021-22 Annex B - Council Priorities report Annex C - Performance indicator report Annex D - Revenue Summary and Variances Annex E - Summary of gross capital expenditure
Recommendation(s)	<i>That Cabinet:</i>  <i>(a) Reviews overall progress on the Council priorities, service delivery and financial performance for 2022-23 Q1;</i> <i>(b) Agrees and recommends to Full Council that following a successful bid for funding from the Department of Levelling Up Housing and Communities, the 2022-23 capital programme is adjusted to include a budget of £162,500 to install four accessible 'Changing Places' toilets across the district for people with severe disabilities.</i>
Corporate Priorities	<ul style="list-style-type: none"><li>● Delivering our services to the highest standards;</li><li>● Responding to the challenges presented by the climate crisis;</li><li>● Providing good quality social rented homes;</li><li>● Presenting a Local Plan that's green to the core;</li><li>● Helping residents and communities access the support they need</li></ul>



	<p>for good health and wellbeing; and</p> <ul style="list-style-type: none"><li>• Supporting businesses to grow in a green, sustainable manner, and to provide high value jobs</li></ul>
Key Decision	NO
Exempt	NO
Consultees/ Consultation	None

## I. BACKGROUND

- 1.1. The Council adopted the Corporate Plan 2020-24 (“the Plan”) in September 2020, and included recovery work in response to the impact of Covid-19. At a Cabinet ‘Away Day’ in March 2022, Cabinet Members reflected on any revised priorities and performance against the Plan to date. A spring 2022 ‘refresh’ of the Plan was completed and approved by Council at its meeting in May 2022. The refresh sought to reflect key achievements since the introduction of the Plan, and clarify the priorities over the remaining period of the Plan (to April 2024).
- 1.2. 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. 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 Chief Executive is responsible for reviewing and approving the information provided in this report prior to its publication.
- 1.3. The Council’s Chief Executive has received a report on progress towards achieving the Council’s priorities and service performance. Having assessed performance in line with the high level commissioning statement, the Chief Executive has noted the progress that has been made to deliver the actions in the Plan as well as the improvements in service delivery in some services that were impacted by high workloads and Covid-19 last year including the Benefits and Planning services.
- 1.4. Particular attention has been drawn to the following:
  - Publica’s Agile Working Policy was launched in March 2022, and a transition to a more fluid mix of home and office working has commenced. To support this approach to working, Cabinet approved funding for the changes to the office layout at Trinity Road, with the space created in the West wing of the building to be let to tenants. During May and June, there was a ‘big office clearout’, and some early office moves were also completed. A contractor will be appointed for the more extensive office moves,



refurbishments, alterations to specific offices and the marking out of new tenant areas. The procurement process commenced in June 2022, and the contract is expected to be awarded in September 2022;

- The rising energy prices and higher cost of living is affecting householders, in particular those on low incomes. The Q1 Council Tax collection rate is similar to the previous year but could be impacted as we move through the year. In April 2022, the Council started to administer the £150 Council Tax rebate for homeowners in bands A-D, and those more vulnerable residents in Council Tax bands E to H. At the end of June 2022, almost 90% of those eligible for the mandatory scheme had received their payments. The Council paid out £2,889,600 to 22,496 households. The rebate is not being applied to households' Council Tax accounts. In addition, the Council set up a discretionary scheme to help those households who could not benefit from the Council Tax rebate. Looking further ahead, the Council is already reviewing the Council Tax Support scheme for the next financial year and has completed modelling on further options for supporting residents;
- The Business Rates collection rate is currently looking healthy. The collection rate was depressed over the previous two years due to the impact of Covid-19 on businesses. The Government will continue to support certain businesses with extended retail relief of 50% during this financial year. During Q1, £1,503,679 of the £1.95m of Covid Additional Relief Fund (CARF) was distributed to 776 businesses that were not eligible for the extended retail relief but have been affected by Covid-19. These businesses will have their accounts credited which will help to reduce the debt owed;
- The Council is continuing to support the 'Homes for Ukraine' scheme in which people in the UK are sponsoring/hosting a Ukrainian individual or family. As at 30 June 2022 there were 95 sponsor properties registered, 88 of which have received their property inspection. The number of new sponsors signing up for the Homes for Ukraine scheme remains relatively low. Although there were no homeless presentations at the end of June 2022, the need for re-matching guests to new sponsors is increasing. A growing national concern is that many sponsors believed they were only 'signing up' for a six-month period and will require guests to find alternate accommodation after this time;
- The Council has been allocated £1,000,000 of funding from the UK Shared Prosperity Fund (UKSPF), with set allocations for the next three years subject to the approval by the Government of a Local Investment Plan (LIP). The UKSPF is part of the Government's Levelling Up agenda and is designed to replace European structural funding programmes which are now coming to an end following the UK's withdrawal from the European Union. The UKSPF funding must be spent on projects and programmes that fit broadly within three key themes: Communities and Place, Supporting Local Business and People and Skills;



- The Council has received the 'Warm and Well' annual performance report for 2021-22 from Severn Wye Energy Agency (SWEA) who manage the scheme on behalf of the Council. The report provides information on how households in the District have been supported with advice and access to grant funding to make energy saving improvements to their homes. During 2021-22, one hundred and fifty-eight households were supported resulting in 49 properties being improved and a life-time saving of 1,723 tonnes of CO2 equivalent to making 490 Cotswold homes carbon neutral for a year. The infographic report is attached at Annex A.

## **2. COUNCIL PRIORITY REPORT**

### **2.1 Progress on actions in the Corporate Plan include:**

- As part of the Flood Warden programme, the Council is working in partnership with Gloucestershire Rural Community Council (GRCC) and Town and Parish Councils to recruit local volunteer wardens to help improve local flood preparation and responses. At the end of June 2022, there were 11 registered Flood Wardens representing the following eight parishes/towns; Bibury, Bourton on the Water, Cirencester, Evenlode, Lechlade, Moreton in Marsh, Northleach and Somerford Keynes;
- A commissioning review of the Council's Legal Service has been completed. Cabinet approved the recommendation to retain the existing Service underpinned by a formal collaboration agreement and fairer sharing of costs between the partner Councils;
- The Council has been working with Cotswold Lakes Trust to make improvements around Cotswold Water Park to disperse visitors more evenly across the Water Park and make it easier for people to walk and cycle around the area. New wayfinding and welcome boards, and cycle parking have been installed as well as new sections of cycle path;
- A Town and Parish forum was held at Moreton in Marsh in early July 2022 and attracted 18 participants. The presentations /discussions focused on development management, neighbourhood planning, levelling up and the Regeneration Bill. A small number of participants completed the satisfaction survey which indicated satisfaction was high, and that they found the information helpful;
- Funding from the Council's UK Shared Prosperity Fund allocation was agreed by Cabinet in July 2022 to enable design and feasibility work to be completed for the Old Station building. The Council is exploring options for bringing the building back into use and preserving it for future generations. A full business case will be brought forward for formal decision in the Autumn;
- Work has started on site at Sunground, Avening, a rural exception site which will be 100% low carbon affordable housing. The scheme is being delivered by Bromford on behalf of Gloucestershire Rural Housing Association;



- The Applied Digital Skills Centre at Cirencester College was officially launched at an event in May 2022. The new Applied Digital Skills Centre will give the District a great opportunity both to develop a workforce with the digital skills needed in the 21st century, and also to grow its digital and cyber sectors;
- The Council assisted the Royal Agricultural University to secure £100,000 from the Gloucestershire Economic Growth Joint Committee Strategic Economic Development Fund to assist with the cost of project management for bring forward their Triangle/University Gate site;
- Since the launch of Gloucestershire's first Community Municipal Investment (CMI) named 'Cotswold Climate Investment', targeting an initial fundraise of £500,000, the scheme reached around two thirds of its target at the end of June 2022. It has since met its target by the end of the raise period on the 16th August 2022;
- In May 2022, Cabinet endorsed the Nature Recovery Plans for the Cotswold Water Park and the Cotswolds National Landscape (AONB). The implementation of the NRPs forms an important part of the Council's approach to addressing the Climate and Ecological Emergencies;
- The outdated Electric Vehicle Charging Points at Old Market Way car park, Moreton-in-Marsh and The Beeches car park, Cirencester were replaced with new state-of-the-art 50kW rapid charge units. Later in the year, four charging units, able to charge eight vehicles simultaneously, are planned for the Council's Rissington Road car park at Bourton-on-the-Water as part of the wider redevelopment of the site, with a further four publicly-available chargers being installed at the Council offices in Trinity Road;
- Crowdfund Cotswold won the Local Government Chronicle (LGC) 'Community Involvement' award in July 2022. Round three of Crowdfund Cotswold closed on 23 March 2022, with staggered decision dates through the quarter, as projects cleared verification. The Council has pledged against five projects, amounting to £22,400 from the Council's Community Fund and £11,600 from the Resilience Fund;
- In May 2022, the Council approved the use of £360,000 from the capital programme to replace fitness equipment across the Council's leisure centres which will be delivered by SLM Everyone Active (SLM). The new fitness equipment will be more energy efficient, reducing the power demand from the leisure centres' equipment, and helping to tackle the climate crisis. The new equipment is expected to encourage a more diverse range of people to use the facilities;



- The Council considered the outcomes of the Leisure and Culture Management Option Appraisal and approved the commencement of a procurement process for the appointment of Leisure and Culture Management Contractors, for the operation of the Council's Leisure and Culture facilities when the contract expires on 31 July 2023;
- The Council has secured just under £150,000 from the Clinical Commissioning Group (CCG) through the 'Strengthening Local Communities' programme. The funding aims to tackle health inequalities, improve health and wellbeing using an asset based community development approach;
- The Community Wellbeing team in partnership with 'World Jungle' has been awarded the contract by the County Council to deliver the Holiday Activity and Food programme (HAF) over the next three years.

**2.2** The Council Priority progress report is attached at Annex B.

### **3. SERVICE PERFORMANCE REPORT**

- 3.1** Although overall performance for the quarter was mixed, improvements have been made since the end of the previous quarter, in some key services such as Benefits and Planning. At the end of Q1, average processing time for the Council Tax Support indicators were either on target or close to target. Planning performance has also improved with both 'Majors' and 'Minor' applications exceeding their targets.
- 3.2** During 2021-22, workloads were high in some services due to a combination of reasons including the continuing impact of Covid-19 and a shortage of staff. The employment market has remained buoyant and the market for qualified professional staff is competitive. The retention of staff in some services such as Planning is expected to remain a challenge.
- 3.3** A common theme emerging from a number of services is the impact of the cost of living crisis on households, businesses and the Council's services in particular Revenues and Benefits, Planning, Housing Support and Leisure.
- 3.4** There are a number of improvement programmes in progress across services focussed on improving the way services communicate with customers, increasing automation and self-serve options for customers, and improving the monitoring of workflows using case management tools to help services to actively manage resources.
- 3.5** Some of the performance indicators that were short of their targets or showing a downward trend are considered below together with rectifying actions:
- The average call wait time in Q1 was relatively high at two minutes and 10 seconds but was comfortably within the three minute standard considered good for local authorities (GovMetric). The service supported the roll out of the mandatory £150 Council Tax /energy rebate to households and the discretionary scheme via a number of channels including telephone, email/electronic and in-person. Advisors provided advice to



residents/customers, completed online forms and set up direct debits. Those households which were not on direct debit were required to provide the appropriate documentation which resulted in a higher number of in-person visits to Council offices.

Resolution: Over the next few weeks, the service is focusing on managing demand through improved engagement with other services and fully assessing and understanding the impact of other services' communications with customers/residents on resources in the customer services team throughout the year. This will help to ensure that customer services staff are fully briefed and resources are better managed to meet potential demand. The Channel Choice project, a longer term project, has commenced, and the processes in services with high call volumes are being reviewed to reduce the need for customer contact;

- The service expected that Housing Benefit overpayments due to Local Authority error /delay would return to previous low levels in Q1 as the backlog created by the implementation of the new benefits system had been cleared. However, a sizable overpayment made in error was identified in April 2022, and together with some smaller errors identified while processing the small backlog from year end processing when the system is shut down has resulted in the target being missed. Over the course of the year, the outturn is expected to improve as the caseload increases.

Resolution: Measures are in place to ensure that HB overpayments due to local authority error are reduced as far as possible. Around 20% of the HB caseload is checked by Quality Assurance officers who target areas which have high error rates such as calculation of earnings. In addition to this work, the service is signed up to the Department for Work and Pension's (DWP) Housing Benefit Award Accuracy (HBAA) initiative to tackle fraud and error. Since April 2022, the service has been reviewing a sample of cases (the government guideline is to review 10% of cases) which is estimated to be 300-400 cases per quarter. The periodic review of cases will help to identify overpayments and errors early and therefore limit the size or extent of the error.

- Performance for Land Charges searches despatched within 10 working days has fallen over the last six months to 27.8% in Q1 (Target: 90%). During Q1, there was a delay in despatching Land Charges searches due to a shortage of staff able to complete internal consultee responses in particular in the Planning service. This performance follows a variable performance in the previous year due to increases in workloads when the Stamp Duty holiday was still in place for the first part of the year and staff turnaround. The service reports there is currently no backlog of work, and workloads are generally manageable.

Resolution: Improvements are expected next quarter as new resources have been allocated to respond to the consultations. The loss of expertise in the previous year has



been addressed by extensive training. Those staff are continuing to gain experience which will also help to improve performance.

- Overall Planning performance for all types of applications has continued to show improvements over the last nine months, although performance for 'Others' (mainly householder applications) has remained short of the target. The relatively high number of applications (although it has slowed compared to 2021-22 it remains above historical levels) combined with a high turnover of staff due to the national shortage of qualified Planners and more employment choices may impact on performance in the coming months. At the end of the previous quarter, the service had 3.5 vacant Planning Officer posts which have been recruited to but have not yet started.

Resolution: The Business Manager has implemented further actions to make the recruitment and retention of staff more attractive. New starters are supported with a training programme developed to build the professional capacity of the service, and so far, has been well attended and has yielded positive feedback.

There is an improvement programme and roadmap in place. A new Planning Checklist has been created to help improve the quality of the applications submitted, and providing clear guidance to applicants to help reduce the impact of invalid applications on the validation team. The Checklist is at consultation stage and is expected to be implemented in September 2022. Other projects include the rollout of the next phase of the Enterprise software to improve case management (rollout has commenced in a phased approach), as well as improving customer contact.

In addition, the Planning process (validation to determination) has been reviewed by the Planning Advisory Service (PAS) and their report on the findings and recommendations for improvement has been received. The next step is to obtain high level endorsement from the Council and for those five recommendations to be implemented.

### **3.6** In spite of the challenges over the year, there have been a number of areas where indicators have improved or are noteworthy:

- Business Rates collection rate achieved its target at the end of Q1, and was 5-6 percentage points higher than the same period of the previous two years. The collection rate was depressed over the previous two years due to the impact of Covid-19 on businesses, although many businesses have been helped with grants and Business Rates relief. Looking ahead, it is likely that the cost of living crisis will impact on businesses as the economy slows down.
- In-Cab technology continues to have positive benefits on the number of missed bins per 100,000. In Q1, there were 53 missed bins per 100,000 scheduled collections compared to 72 in the previous quarter, and 117 in Q1 of the previous year.
- Processing times for Council Tax Support new claims and changes are close to or on target at 22 days (Target: 20 days) and 3.5 days (Target: 5 days) respectively. The usual small backlog of cases at the end of Q4 arising from end of year processing are expected





to be cleared over the next few weeks, and further improvements are expected in the next quarter.

3.7 A full report is attached at Annex C.

## 4. FINANCIAL PERFORMANCE

### Financial Performance (Revenue)

4.1 This report sets out the profiled income and expenditure variances for the period April to June 2022 against the Council's budget.

4.2 At 30 June 2022, the Council had spent £4,543,104 against its net profiled budget of £4,580,662, resulting in an underspend of £37,558.

4.3 Despite the positive year to date position in quarter one the Council expects to face significant budget challenges during the remainder of 2022/23 due to the following factors:

- Further increases in energy costs
- The impact of the employee pay award
- The impact of pay and fuel inflation and continued high levels of recycling volumes on our waste contract with Ubico.
- Inflationary increase in minor contracts and other costs
- Pressure on income including car parking, Planning and fees and charges due to the cost of living crisis and permanent changes to behaviour post Covid-19.
- Some exceptional 'one off' items.

4.4 Work is currently underway in partnership with our colleagues at Publica and Ubico to assess the impact of the factors above on our 2022/23 and 2023/24 budget. The pressures will be quantified in the quarter two version of this report which will include a forecast outturn position.

4.5 A full list of all cost centres and budget variances is attached to this report at Annex D and includes commentary against the most significant variances. This report highlights a number of budget variances across a range of service areas; excluding those where the income and expenditure variance are comparable and offset each other (net nil variance).

### Income

4.6 Income from car park fees, fines and permits in the first quarter of 2022/23 is £13,000 higher than budget. However, income received against profiled budget in June and July was lower than the profiled budget with income £44,000 below budget at the end of July partly due to



the continuing impact of the Covid-19 pandemic and workers' preference for working at home.

- 4.7** Income from Planning fees has performed below budget during the first quarter of 2022/23 resulting in an underachievement against budget of £69,000 including an £8,000 underachievement in respect of pre application advice. It is anticipated that nationally there will be a reduction in Planning applications and advice due to the current inflationary impact on building materials and labour and the impact of the 'cost of living' crisis. Income from Land Charges has also performed below budget with income received being £12,000 below budget at the end of the first quarter due to the rise in free unofficial Personal Searches (through Personal Search Agents).
- 4.8** Licensing income has performed better than budgeted with income from Licences exceeding the budget by £16,000 at the end of the first quarter.
- 4.9** Income from recycling has also exceeded budget. Recycling credits from Gloucestershire County Council were £25,000 higher than estimated as a result of higher levels of recycling due to more people working from home and a general increase in commodity values.
- 4.10** Dividends from Pooled funds of £129,000 were received in the first quarter of the financial year achieving an overall return of 4.52%. Interest from short term cash deposits, money market funds and call accounts is £29,000 higher than budgeted at the end of the first quarter due to interest rates rising at higher rate than budgeted. Interest income of £15,000 budgeted as a result of a loan to Cottsway Housing Association approved by Council in July 2021 was not achieved as drawdown of this loan is now not expected until 2023/24.

### **Expenditure**

- 4.11** As a result of higher than budgeted electricity prices, the Council's electricity budgets are overspent by £28,000 at the 30 June 2022. Expenditure on gas is currently in line with budget. Further work will be undertaken during quarter two to forecast the expected impact of further gas and electricity price increases on the Council's forecast outturn.
- 4.12** There were no significant Planning appeals during the first quarter of the financial year, resulting in an underspend against the appeals costs budget of £21,000. Expenditure in respect of Planning other contractor and professional fees was also underspent by £17,000.
- 4.13** Expenditure on Public Conveniences is underspent by £19,000 due to a refund of business rates as a result of introduction of 100% rate relief received in April 2022.



- 4.14** Repairs and maintenance expenditure in respect of the leisure centres and museum is underspent by £15,000 at the 30 June 2022.
- 4.15** Expenditure in respect of the processing of recycling is underspent by £12k at the end of the first quarter. This budget will be reviewed as part of the 2023/24 budget setting process.

### **Capital Activity**

- 4.16** The Council's capital budget for 2022/23 including carry forwards from 2021/22 is £40,727,467. A total of £264,533 has been spent against these schemes at the end of Q1 with a further £4,156,936 committed.
- 4.17** The most significant variances include £35m (Recovery Investment Strategy), opportunities and options are being explored by officers, and detailed reports seeking approval will be presented to Cabinet and Council as appropriate. Cabinet agreed in May 2022 to acquire a property in Tetbury for temporary emergency accommodation. Funding of £1.442m for the purchase and capital works was allocated from the Recovery Investment Strategy budget in the capital programme. This purchase was completed in August 2022.
- 4.18** Capital works to the Council offices at Trinity Road totalling £0.975m to facilitate the Council's Agile Working policy and generate commercial income are expected to be undertaken in the second half of the 2022/23 financial year. As outlined in a report presented to Cabinet and Council in March 2022, funding is allocated from the Recovery Investment Strategy budget in the capital programme. A further report outlining options for renovating the roof at the Council Offices at Trinity Road will be reported to the September 2022 Cabinet meeting. The recommended option has an estimated cost of £224,000.
- 4.19** A budget of £4.36m for an 'Investment in Strategic Property Acquisition' was originally included in the 2021/22 capital programme. Discussions with the landowner are on-going and will now form part of the overall £35m Recovery Investment Strategy budget allocation if successful.
- 4.20** The Council was awarded £162,500 by the Government to assist with installing 'Changing Places' Toilets in locations across the District. The toilets are larger and more accessible to people who cannot use standard accessible toilets. Toilets are to be installed at Cirencester Abbey Grounds, Birdland at Bourton on the Water, Cotswold Country Park and Beach and Cotswold Farm Park. Delivery for all four venues is expected in 2022/23 and officers are currently liaising with each venue to progress the project. This report includes a recommendation to Council that the 2022/23 Capital budget is adjusted to include a budget of £162,500 for this scheme.



- 4.21** A full list of expenditure and explanation for variances against budget is attached to this report at Annex 'E'.

#### **Capital Receipts and Disposals**

- 4.22** There were no capital receipts or asset disposals during the first quarter of 2022/23.

### **5. LOCAL GOVERNMENT OMBUDSMAN REVIEW 2021-22**

- 5.1** The Annual Review Letter 2021/22 sets out the complaints that were made against the Council in 2022/22, as well as the outcome of those complaints
- 5.2** In total, the Local Government Ombudsman ("LGO") received 14 complaints/enquiries about this Council. Half of these related to Planning and Development Control. The other complaints related to Environmental Services and Public Protection (four), Corporate and Other services (two), and Benefits and Tax (one). In the previous year, the Council received eight complaints/enquiries, of which four related to Planning and Development Control.
- 5.3** During the first wave of the Covid-19 outbreak, the LGO temporarily paused its casework for three months to allow authorities to concentrate efforts on vital frontline services. This will have reduced the number of complaints the LGO received and decided in the 2020-21.
- 5.4** Fifteen decisions were made by the LGO in 2021/22; six complaints were closed after initial enquiries, and a further six complaints were referred back to the Council for a local resolution. Three complaints were investigated in detail, of which two were upheld.
- 5.5** The two upheld complaints related to Planning and Development Control and to Benefits and Tax. In both cases the LGO was satisfied that the Council had successfully implemented its recommendations and remedies.

### **6. OVERVIEW AND SCRUTINY COMMITTEE**

- 6.1** This summary performance report will be as reviewed by Overview and Scrutiny Committee at its meeting on 4 October 2022 and any comments from the Committee will be reported to the Cabinet.

### **7. FINANCIAL IMPLICATIONS**

- 7.1** As described in Section 4 of the report.

### **6. LEGAL IMPLICATIONS**

- 6.1** There are no legal implications arising directly from this report.



**7. RISK ASSESSMENT**

7.1 Contained in this report.

**8. EQUALITIES IMPACT**

8.1 None.

**9. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

9.1 Contained in this report.

**10. ALTERNATIVE OPTIONS**

10.1 None.

**11. BACKGROUND PAPERS**

11.1 None

(END)