

Reporting Period: Quarter 1, Period 1 April 2013 – 30 June 2013

1.0 Introduction

1.1 This report provides an overview of issues and progress against key service objectives/milestones and performance targets, during the first quarter of 2013-14; for services areas within the remit of the Employment, Learning Skill & Community Policy & Performance Board.

The report has been structured using the below key priorities:

- Supporting Growth and Investment
- Raising Skill Levels and Reducing Unemployment
- Enhancing Residents' Quality of Life

1.2 The way in which traffic light symbols have been used to reflect progress to date is explained within the Appendix 8. Please also note initials have been provided to indicate which Operational Director is responsible for commentary to aid members understanding, as shown in the key in the Appendix 8.

2.0 Key Developments

2.1 Supporting Growth and Investment (WR)

2.1.1 EU Structural Funds 2014-20

England Growth Programme total allocation under the EU Structural Fund Programme 2014-20 will be €6.174 billion. For the first time, the European Regional Development Fund (ERDF) and European Social Fund (ESF) are to be rolled into one fund called the 'Single Local Growth Fund'. Responsibility for the 'Single Local Growth Fund' will be devolved to the Local Enterprise Partnerships (LEP). LEP's will develop investment strategies for their local area and develop projects which deliver the strategy. For the first time Halton will be able to access the Merseyside ring-fenced pot. It was anticipated that Liverpool City Region (LCR) will get £400-£450 million over a seven year period. However, the government's recent announcement of EU allocation per head of population 2014-20 was disappointing. The Liverpool City Region Local Enterprise Partnership has been allocated £222 million.

The Council have submitted project proposals to the LCR thematic leads for a range of proposed projects. For example, under the Small and Medium Enterprise (SME) Competitiveness theme projects have been submitted for :-

- SME Competiveness (follow on project for the current ERDF 4.2 Business Support Programme)
- Business Engagement (to proactively engage with the most significant employers and fastest growing companies in the Borough)
- Advanced Manufacturing (to develop a bespoke Halton advanced manufacturing programme which compliments existing sub-regional and national provision, for example Advanced Manufacturing Supply Chain Initiative and the Manufacturing Advisory Service)
- Maximising the Benefits of Superfast Broadband
- Open Innovation (in partnership with Science & Technology Facilities Council and others).

Sci-Tech Daresbury has developed a stand-alone proposition which compliments the above.

2.1.2 Sci-Tech Daresbury

External Funding continues to support the Joint Venture Partnership in securing funding for the Phase I development at Sci-Tech Daresbury. The RGF grant monitoring is now kicking in, and an outline bid has now been submitted to secure £1.7 million in ERDF funding.

2.2 Raising Skill Levels and Reducing Unemployment (WR)

2.2.1 Ofsted Inspection of Learning and Skills and Good Practice Visit

A very successful Ofsted inspection took place 23rd – 26th April 2013 which resulted in an overall Grade 2 with Grade 1 for Outcomes for Learners, Employability Curriculum area and the effectiveness of Leadership and Management. Grade 2 was awarded for Community Learning and Teaching, Learning and Assessment.

As a result of the successful inspection, the Lead Inspector carried out a Good Practice Visit on 25 and 26 June 2013. The purpose of the visit was to gather evidence of three areas of good practice identified during the full inspection; the positive impact of the positioning within Halton Borough Council, Employability provision and information, and advice, guidance and support that wraps around the learner. The Inspector met with colleagues from a wide range of departments across the council, the Chief Executive and Leader, Halton Employment Partnership organisations, Tarmac, Tesco Extra staff, Waste Management Apprenticeships and managers and Training providers. Three good practice case studies will be completed and will be published on the Ofsted website and available nationally.

2.3 Enhancing Residents' Quality of Life (CP)

2.3.1 Sport and Recreation

The Rugby League World Cup 2013 is the next major sporting event to take place in this country. Halton will provide the USA training team camp base for the duration of their tournament stay. A comprehensive RLWC2013 delivery plan has been produced, departments across the Council, partners from other public, private and voluntary organisations, will be delivering activities. It is hoped that the local community will be involved in activity prior to their arrival and during their visit.

The 100% pitch fee subsidy to junior teams has been reduced to 66%. Playing pitches have been reconfigured to take account of the youth format changes by the Football Associations and the move to summer rugby by the Rugby Football League.

2.3.2 Libraries

The Library Strategy has now been endorsed by Executive Board and progress is underway to implement it, with action plans being drawn up for each of the five priorities. The Strategy consultation has now closed and 311 responses were received. The question asking people whether they agreed or disagreed with each of the 5 strategic priorities reflected overwhelming support for each of the priorities. The consultation also asked what people considered to be the most important services offered by the library, the 5 highest ranked were "to borrow books", "to use books and printed material within the library", "to use the internet", "to get advice from library staff" and "as a way to spend my spare time".

3.0 Emerging Issues

3.1 Supporting Growth and Investment (WR)

3.1.1 Connecting Cheshire

External Funding is now supporting the Connecting Cheshire partnership one day per week with support in relation to European Regional Development Fund and other funding streams until June 2015.

3.2 Raising Skill Levels and Reducing Unemployment (WR)

3.2.1 New Adult Learning and Skills Tutor contracts

Existing Adult Learning and Skills Tutor contracts are due to expire at the end of August 2013 and, as such, tutors were placed at risk in May 2013. A new contract for tutors has been developed in conjunction with Human Resources department and the unions and agreed by the Steering Group and Management Team. Tutors delivering Skills for Life and Family Learning 0.5 or above have been offered an annual contract based on weekly working hours. Tutors delivering Adult Learning and Skills for Life below 0.5 have been offered a sessional contract with hourly rates of pay.

3.2.2 Skills Funding Agency Notice of Concern

The Skills Funding Agency (SFA) introduced new Provider Risk Assessment and Management arrangements for the 2012/13 academic year (August 2012 – July 2013). Halton is currently within stage 1.

Stage 1: Monitoring and support

- SFA issue a Notice of Concern if performance has fallen below the Minimum Levels of Performance Minimum Level of Performance for short courses in 2011/12 was 65% and HBC achieved 53.6%
- The Notice of Concern sets out the evidence required to restore SFA confidence that the needs of learners are being met, together with timescales for SFA to assess whether or not the concern has been addressed and full assurance can be restored. The timescales are aligned with the availability of information (for example, success rates) and milestones are identified to ensure that progress is being made towards addressing the concern. HBC's Improvement Plan was submitted to SFA on 19th July 2013. SFA plan to complete an Initial Review by the end of August, with further reviews in October, January, April and July
- Support to address the concern will be available from the Learning and Skills Improvement Service (LSIS). However, LSIS ceased to exist from 31st July 2013. I will request details of the support mechanisms for 2013/14 from the SFA Relationship Manager on her return from holiday or at the initial review meeting
- Additional conditions of funding will normally be imposed by SFA, including restrictions on growth, until the concern has been addressed. We have not been informed of any additional conditions of funding.
- If HBC successfully addresses the concern within the timescales the Notice of Concern, and any associated additional conditions of funding, will be lifted.

Prior to the first review in August 2013, performance for the 2012/13 academic year will be analysed and evaluated.

3.2.3 Work Programme

Exit interviews will take place for those individuals who are leaving the Work Programme and returning to Job Centre Plus. A review of Work Programme priorities will be necessary to ensure that maximum funding is obtained, for example, by supporting Priority Group customers (e.g. on Employment and Support Allowance) into employment.

4.0 Risk Control Measures

Risk control forms an integral part of the Council's Business Planning and performance monitoring arrangements.

As such progress concerning the implementation of all high risk mitigation measures will be monitored in Quarter 2 and Quarter 4.

5.0 Progress against high priority equality actions

Equality issues continue to form a routine element of the Council's business planning and operational decision making processes. Additionally the Council must have evidence to demonstrate compliance with the Public Sector Equality Duty (PSED) which came into force in April 2011.

As a result the Board will receive further information following the completion of the Annual Equality Assessment which will be undertaken during Quarter 3.

6.0 Performance Overview

6.1 The following information provides a synopsis of progress for both milestones and performance indicators across the key thematic priority areas.

Supporting Growth & Investment (WR)





Key Milestones

Ref	Milestones	Q1 Progress
EEP2	Deliver the BID Year 5 action plan by March 2013	

Supporting Commentary

EEP 02: All outputs associated with the BID year 1 Action Plan are on programme and on budget

Key Performance Indicators

Ref	Measure	11/12 Actual	12/13 Target	Q1	Current Progress	Direction of Travel
SCS ELS01	Increase the number of active enterprises within the Borough	2715 (2012)	2675	N/A	N/A	N/A
SCS ELS02	Increase the proportion of business diversity in the following sectors: Knowledge Economy, Superport, Low carbon/green, Visitor Economy	26%	26%	N/A	N/A	N/A
DIS LI 05	Number of inward investment enquiries per annum	246	180	81		
DIS LI 06	Inward investment enquiry conversion rate percentage	15%	10%	7%		

Supporting Commentary

DIS LI05: There has been a marked increase in the number of investment enquiries which is a very positive sign.

DIS LI06: Based on the offer, Halton is successfully converting its share of the enquiries. (WR)

Data not available at this stage for SCS ELS 01, SCS ELS 02

Raising Skills Levels & Reducing Unemployment (WR)








Key Milestones

Ref	Milestones	Q1 Progress
EEP3	Deliver Work Programme via sub contract arrangements to Prime Contractors A4E and Ingeus Delotte in line with the contract	

Supporting Commentary

EEP 03: Job Start and Job Outcome targets for Ingeus were achieved in Q1. Performance on the A4e contract was slightly behind target but performance is still higher than other sub-contractors in Contract Package Area (CPA) 6.

Key Performance Indicators

Ref	Measure	12/13 Actual	13/14 Target	Q1	Current Progress	Direction of Travel
SCS ELS03	The number of people classed as self-employed	6.2%	6.5%	6%		
SCS ELS04	The proportion of people achieving NVQ Level 4 and above	24.5%	11.25%	N/A	N/A	N/A
SCS ELS07	The percentage of people registered unemployed and seeking employment (JSA Claimants)	5.2%	5.2% Under review with JC Plus	4.6%		
SCS ELS08	The percentage of the working age population claiming out of work benefits	16.87%	17% Under review with JC Plus	15.83%		
ELS LI 03	Number of starts on DWP work programme	1271 489 (A4E) 782 (Ingeus)	1572 454 (A4E) 1118 (Ingeus)	256 83 (A4E) 173 (Ingeus)		N/A

Supporting Commentary

SCS ELS 03: The latest data from ONS relates to 2011-12. However, 14 learners accessing HPIJ's Enterprising Halton service have become self-employed during Quarter 1. (WR)

SCS ELS 07 (NI 152): At June 2013, there were 3806 individuals claiming JSA, a decrease of 587 on the same time last year. (WR)



SCS ELS 08: At June 2012, there were 13016 individuals claiming out of work benefit as a percentage of the working population. (WR)

ELS LI03: 256 starts across both Ingeus and A4e Work Programme contracts in quarter 1 (173 Ingeus starts and 83 A4e starts). Referrals from DWP have been lower than indicative flows for this quarter; therefore fewer customers have started on programme.

Data not available for SCS ELS 04.

Enhancing Residents' Quality of Life (CP)

Key Milestones

Ref	Milestones	Q1 Progress
CE1	Implement the new Sports Strategy (2012-2014) - March 2014.	
CE4	Undertake CIPFA PLUS Survey (Public Library User Survey for Children) due to take place September 2013.	

Supporting Commentary

CE1: A monthly report is produced by the Sport and Recreation Team highlighting the key areas of work under the Strategy headings.

Quarter 1 activities include:

Community Sports coach delivered 309 hours coaching; 2662 coaching contacts and 306 training opportunities. 4 workshops delivered 50 attendees; 10 young leaders trained. 25 schools signed up to the Sports Coaching SLA. Other activities included school multi-sport festival at the stadium, Cheshire Fire Service – Phoenix challenge; children centre activity; Sports Club CPD; 6 clubs attended Funding and information clinic.

Walk to work week: Falls Awareness activity session: Chair based exercise staff training

New Age Kurling World Championships held at Kingsway Leisure Centre May bank holiday.

RLWC2013 delivery plan supported across Council directorates. Trophy Tour in Halton 7 June.







175,152 Leisure centre visits April/May

682 Leisure Card applications

9 Sportivate activities operating (sport sessions for 14 – 25 year olds)

CE4: Preparations underway for the survey to take place in the autumn.

Key Performance Indicators

Ref	Measure	12/13 Actual	13/14 Target	Q1	Current Progress	Direction of Travel
<u>CE LI 6</u>	Number of active users of the library service during the last 12 months.	16,468	23,000	16,211		
<u>CE LI 6a</u>	Number of visits to libraries (annual total).	621,109	600,000	170,401		
<u>CE LI 7</u>	Percentage of the adult population (16+) participating in sport each week (Previously NI8).	21.7%	24%	22.1%		

Supporting Commentary

CE LI6: 63,767 registered users, current figure of 16,211, having using the service in the last 12 months. This is down on the equivalent quarter last year.

CE LI6a: Based on current figures target will be achieved.

CE LI7: Next results due in December 2013.

7.0 Financial Statements

Enterprise, Employment and Property Services

SUMMARY FINANCIAL POSITION AS AT 30 JUNE 2013

	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (overspend) £'000
Expenditure				
Employees	4,337	1,074	1,106	(32)
Repairs & Maintenance	2511	873	868	5
Energy & Water Costs	673	156	147	9
NNDR	695	625	626	(1)
Rents	404	180	177	3
Marketing Programme	77	9	6	3
Promotions	60	9	1	8
Supplies & Services	1,312	281	255	26
Capital Financing	9	2	2	0
Agency Related Payments	176	35	35	0
Total Expenditure	10,254	3,244	3,223	21
Fees & Charges	-453	-118	-118	0
Rent - Markets	-750	-164	-164	0
Rent - Industrial	-1,028	-264	-227	(37)
Rent – Commercial	-568	-137	-130	(7)
Government Grant Income	-1,147	-251	-251	0
Transfer from Reserves	-142	-35	-35	0
Recharges to Capital	-444	-36	-20	(16)
Reimbursements & Other Grant Income	-688	-155	-155	0
Schools SLA Income	-556	-254	-254	0
Total Income	-5776	-1,414	-1,354	(60)
NET OPERATIONAL BUDGET	4,478	1,830	1,869	(39)
Premises Support Costs	1,498	401	401	0
Transport Support Costs	38	5	5	0
Central Support Service Costs	1,709	419	419	0
Asset Rental Support Costs	2,390	0	0	0
Repairs & Maintenance Recharge Income	-2,185	-546	-546	0
Accommodation Recharge Income	-2,759	-690	-690	0
Central Supp. Service Rech Income	-1,661	-415	-415	0
Total Recharges	-970	-826	-826	0
Net Expenditure	3,508	1,004	1,043	(39)

Expenditure for Employees is above budget as staff savings targets are not being achieved. This is due to an insufficient level of staff turnover compared to staff savings across the department.

In order to ease budget pressures only necessary spending on supplies and services has occurred in year.

The adverse variances relating to property income have continued as of the seven Industrial Estates, five are currently on target to achieve the budgeted rental income. However, there remains a shortfall in income on Seymour Court and contingency plans are in place for 2014/15 budgets. During 13/14 we are also seeing a steady decline in rental income on Moor Lane Business Centre as the tenants gradually vacate the units in year as a result of the closure of the Business Centre.

Although the team are working on various Capital Projects, we are showing a shortfall in Capital Salaries income at quarter 1 as we are unable to recharge the salary costs back to Capital Projects (due to restrictions on the allowable recharges to Capital Salaries).

In overall terms it is anticipated that net expenditure will be above the overall Departmental budget by year-end, primarily as a result of the shortfalls in income outlined above. Steps will therefore need to be taken where possible to reduce expenditure to offset the shortfalls in income.

COMMUNITY & ENVIRONMENT DEPARTMENT

Revenue Budget as at 30 June 2013

	Annual Budget £'000	Budget To Date £'000	Actual to Date £'000	Variance To Date (overspend) £'000
<u>Expenditure</u>				
Employees	12,104	2,936	3,002	(66)
Other Premises	1,366	468	437	31
Supplies & Services	1,457	302	277	25
Book Fund	225	78	77	1
Promotional	264	66	42	24
Other Hired Services	1,021	108	109	(1)
Food Provisions	835	209	208	1
School Meals Food	1,660	235	226	9
Transport	55	14	12	2
Other Agency Costs	877	69	70	(1)
Waste Disposal Contracts	4,799	538	531	7
Leisure Management Contract	1,492	260	268	(8)
Grants To Voluntary Organisations	333	111	107	4
Grant To Norton Priory	222	111	112	(1)
Capital Financing	54	11	6	5
Total Spending	26,764	5,516	5,484	32
<u>Income</u>				
Sales Income	-2,174	-534	-499	(35)
School Meals Sales	-2,224	-17	-38	21
Fees & Charges Income	-2,655	-612	-581	(31)
Rents Income	-156	-30	-27	(3)
Government Grant Income	-111	-23	-23	0
Reimbursements & Other Grant Income	-443	-56	-70	14
Schools SLA Income	-278	-243	-235	(8)
Internal Fees Income	-104	-18	-25	7
School Meals Other Income	-2,265	-1,552	-1,559	7
Meals On Wheels	-218	-38	-41	3
Catering Fees	-173	-39	-8	(31)
Capital Salaries	-103	0	0	0
Transfers From Reserves	-62	0	0	0
Total Income	-10,966	-3,162	-3,106	(56)
Net Controllable Expenditure	15,798	2,354	2,378	(24)
<u>Recharges</u>				
Premises Support	1,491	340	340	0
Transport Recharges	2,233	241	246	(5)
Departmental Support Services	9	0	0	0
Central Support Services	3,119	842	842	0
Asset Charges	3,052	0	0	0
HBC Support Costs Income	-375	-374	-374	0
Net Total Recharges	9,529	1,049	1,054	(5)
Net Departmental Total	25,327	3,403	3,432	(29)

Comments on the above figures:

Net budget is £ 29,000 over budget profile at the end of the first quarter of the financial year.

Staffing expenditure is over budget profile by £ 66,000, primarily due to the quarterly savings target for premium pay of £ 64,100. Although there is still some spending on agency staffing this is much reduced from previous years and for Waste Management is within budget. With the exception of the Stadium and Leisure, all other employee budgets are under the budget profile and have helped contribute towards meeting some of the staff turnover savings target.

Other Premises and Supplies and Services expenditures are currently £ 55,000 under budget to date. The main reasons are very little advertising across the division, low repairs at the Stadium and Crematorium at this stage and some smaller budgets not yet utilised.

The Leisure contract is over budget profile and is expected to overspend by approximately £ 40,000 by year end. Negotiations will be pursued to address this budget pressure.

Income budgets across the Department continue to experience difficulty against targets with Sales, Fees & Charges and Internal Catering Fees currently underachieving. Income for Stadium executive suite hire, functions and catering are continuing to have difficulty meeting revised reduced targets. Trade Waste income has been hit with a fall in demand for both internal and external customer accounts.

School Meals budgets on food and income are both favourable at this stage. Food costs are under budget with meals and breaks income still achieving their targets due to certain items being very popular.

Waste disposal contract budgets have been affected by savings targets, therefore the large sums involved could put this budget in a precarious position. Invoices continue to arrive late and will be monitored closely.




It is expected that the Department will overspend by year end, mainly due to various income sources which have reduced gradually over the previous years.

Capital Projects as at 30 June 2013

	2013/14 Capital Allocation £'000	Allocation To Date £'000	Actual Spend To Date £'000	Allocation Remaining £'000
Stadium Minor Works	30	0	0	30
Children's Playground Equipment	81	1	1	80
Landfill Tax Credit Schemes	340	3	3	337
Arley Drive (Upton)	66	6	0	66
Crow Wood	13	3	0	13
Open Spaces Schemes	51	22	22	29
Runcorn Cemetery Extension	9	0	0	9
Litter Bins	20	0	0	20
Cremators At Widnes Crematorium	350	0	0	350
Runcorn Busway Works For Gas Powered Buses	30	30	30	0
	990	65	56	934




8.0 Appendix – Explanation for use of symbols

Symbols are used in the following manner:

<u>Progress</u>	<u>Objective</u>	<u>Performance Indicator</u>
Green 	Indicates that the <u>objective is on course to be achieved</u> within the appropriate timeframe.	<i>Indicates that the annual target is <u>on course to be achieved</u>.</i>
Amber 	Indicates that it is <u>uncertain or too early to say at this stage</u> , whether the milestone/objective will be achieved within the appropriate timeframe.	<i>Indicates that it is <u>uncertain or too early to say at this stage</u> whether the annual target is on course to be achieved.</i>
Red 	Indicates that it is <u>highly likely or certain</u> that the objective will not be achieved within the appropriate timeframe.	<i>Indicates that the target <u>will not be achieved</u> unless there is an <u>intervention or remedial action</u> taken.</i>

Direction of Travel Indicator

Where possible performance measures will also identify a direction of travel using the following convention

Green 	Indicates that performance is better as compared to the same period last year.
Amber 	Indicates that performance is the same as compared to the same period last year.
Red 	Indicates that performance is worse as compared to the same period last year.
N/A	Indicates that the measure cannot be compared to the same period last year.

Key for Operational Director Lead

WR – Wesley Rourke - Operational Director Economy, Enterprise & Property

CP – Chris Patino - Operational Director Community and Environment