

## Corporate Policy and Performance Board– Priority Based Monitoring Report

Reporting Period: **Quarter 3 – Period 01<sup>st</sup> October 2015 to 31<sup>st</sup> December 2015**

### 1.0 Introduction

- 1.1. This report provides an overview of issues and progress against key service objectives/milestones and performance targets, during the third quarter of 2015/16 for service areas within the remit of the Corporate Policy and Performance Board.
- 1.2. Key priorities for development or improvement in 2015-18 were agreed by Members and included in Directorate Plans, for the various functional areas reporting to the Board in relation to the Council's priority of Corporate Effectiveness and Business Efficiency i.e.:
  - Financial Services
  - People, Policy, Performance and Efficiency
  - ICT Infrastructure
  - Legal and Democracy
  - Catering, Stadium and Registration Services
  - Property Services
- 1.3. The way in which traffic light symbols have been used to reflect progress to date is explained within Section 8 of this report.

### 2.0 Key Developments

- 2.1. There have been a number of developments within the Directorate during the period which include:-

#### *Finance*

#### *Financial Management*

1. The Government announced the Local Government Finance Settlement on 17<sup>th</sup> December 2015. The Settlement Funding Assessment for HBC was slightly higher than forecast as there was a change in the method of allocating cuts to Revenue Support Grant (RSG). This was to the advantage of councils with smaller council tax base such as Halton, although it still resulted in a cut of over £6m to the RSG.
2. Indicative funding allocations were given for four years up to and including 2019/20 which will be a benefit to future financial planning. The Government will also offer councils a four year settlement in return for having a published efficiency plan. Full details of how this will work and what is expected are yet to be announced.
3. We are continuing to work on the finer details from the settlement and not all grant funding allocations have yet been announced. As part of the 2016/17 budget report an updated financial forecast position for the next three years will be prepared.

4. The Comprehensive Spending Review 2015 was announced by the Chancellor on 25<sup>th</sup> November 2015. A key element from this was the ability of Councils to set a 2% social care precept on council tax for each of the next four years. This will be in addition to the usual council tax referendum limit of 2%, giving a total referendum limit of 4% for 2016/17.
5. During October and December 2015 the Council approved initial budget savings for 2016/17 totalling £11.5m. Where possible budget proposals will be implemented immediately and will contribute to keeping spend within budget for the current financial year. In addition indicative school budgets for 2016/17 have been calculated and circulated to schools and final budgets will be confirmed following approval by the Education Funding Agency.
6. The Council's spending position for the first half of the financial year was reported to Executive Board on 19<sup>th</sup> November 2015. Net expenditure was £0.168m under the profiled budget to date figure of £46.343m. Capital spending as at 30<sup>th</sup> September 2015 totalled £10.944m, which is 26% of planned capital-spend for the financial year 2015/16.

#### *Welfare Benefits*

7. As was expected the demand for advice and assistance remains high. The success rate for those clients assisted with appeals related to Disability Living Allowance / Personal Independence Payments and demand is expected to grow in this area along with assistance concerning Debt Relief Orders from the Council's Debt Advisor who is an approved intermediary, a resource which is currently in short supply.

#### *Audit and Operational Finance*

8. The Council is presently undertaking a procurement exercise for a range of insurance services with contracts commencing in April 2016. The Councils Insurance Broker is advising on the process which has been broken into separate lots to encourage greater competition and ensure value for money.
9. In April 2013 the Council took over the handling of casualty insurance claims which delivered significant budget savings. As part of these arrangements the Councils processes are independently audited and these have recently been scored at 99% putting the Council into the 'exemplary' category.
10. The Council has recently received an assurance visit from the Office of the Public Guardian to review how it manages its deputyships for residents who are unable to manage their financial affairs. The service is provided to support vulnerable individuals and to protect them from the risk of financial abuse.
11. The OPG were very impressed with the Councils approach and in addition to commenting on a well-integrated and client centred service they referred to Halton as being by far the most impressive of the authorities they had visited.

#### *People, Policy, Performance and Efficiency*

12. Further service improvements have been developed during the period and the transition to electronic workflow processes will commence on 04<sup>th</sup> January 2015. This will deliver further staffing efficiencies, enhance the provision of services to Departments and customers with SLA agreements and provide additional management information to further develop the HR service.
13. Positive feedback has been received from managers following the adoption of the electronic recruitment process which has delivered time efficiencies for all parties and provides a more secure service. Additionally support has been provided to a number of services across the authority which has predominantly focussed upon realising further financial savings.

14. The Institute of Leadership and Management (ILM) 5 programme is now concluding with final marking in progress and the redesign of the Corporate Induction continues as does work with Riverside College to develop a video presentation.
15. E Learning is becoming increasingly utilised with a course on financial abuse being developed with colleagues from Adult Social Care. Revenue generating agreements have also been entered into with organisations for the provision of safeguarding courses to employers and provision to Schools for the administration of medicines.
16. Work on the successor to the Council's People Plan continues and a report will be submitted to this Board during the quarter 4 period.
17. Support has been provided to the final stages of the development of the Halton Foundation which will enhance sustainability within the local community and the completion of this work is expected during February 2016. Additionally work has also been undertaken in relation to the analysis of cross-sector assets with a view to enabling flexible workspaces for the Council and partners which are linked to the ongoing management of accommodation. Also the development of a unified Business Plan for 2016 – 17 is underway and reports will be provided to Policy and Performance Boards and Executive Board during quarter 4.
18. The review of the Halton Supported Housing Network concludes on 03<sup>rd</sup> January 2016 and savings of approx. £90, 000 have been generated along with a more sustainable delivery model. In addition following staff consultation a final structure has now been agreed for Highways Services with revenue savings of approx. £140,000 being expected.

#### *ICT and Administration Support Services*

19. A long and hard-fought 18 month negotiation for the procurement of ICT licensing and services has now been concluded. The perseverance of key Officers has delivered a hugely beneficial outcome for the authority in terms of both cost and value that will support business needs over the course of the next 5 years.
20. Enterprise Agreements have now been acquired within existing budget constraints and that originally were significantly outside of the scope of the Council's available resources. This has secured an authority wide asset that has a high end specification and capability, at considerably less cost than that paid by other clients, which will allow the authority to benefit from new technologies as they emerge.
21. This acquisition will allow the authority to deliver further cost and operational efficiencies through the development of 3 distinct cloud service environments namely:-

**The Corporate Domain.** This is a Public Services Network (PSN) compliant environment that will service those areas of the business that are required by law, or transactional need by organisations such as the Department for Work and Pensions, to have a security standard in place. This is a restrictive environment that is designed for limited transactions that can unnecessarily but unavoidably complicate the wider business needs of the organisation. As a result of the technologies now available alternative arrangements for the majority of the organisations users have now been developed as referred to below.

**The Resources Domain.** This environment will now house the vast majority of the Council's users and key partners such as the Police, Health etc. and commercial clients such as North West Employers and Mersey Gateway Project. Whilst security is the same as the Corporate Domain it will not be subject to the often expensive and sometimes restrictive practices required by PSN. This will provide further opportunities to reduce the cost of ownership by allowing the authority to resell space and services within its data centres in a more proactive and less restrictive manner.

**The Schools Domain.** This is presently a segregated environment but with the new technologies proposed this can become a discrete element of the over-arching environment rather than a stand-alone entity thereby reducing licensing and data centre costs and space as the authority's commercial offering expands.

### *Legal and Democratic Services*

22. The Statement of Licensing Policy and the Statement of Gambling Policy were presented to and approved by Council during the Quarter 3 period.

### *Catering, Stadium and Registration Services*

#### *The Stadium*

23. A considerable number of events were held over the quarter 3 period including a range of Christmas lunches as well as the NW Annual Networking Conference for Educational Psychologists and a Mersey Gateway staff briefing as well as various football and rugby games.
24. Following a restructure of Stadium staffing a number of long-serving Officers retired and roles and responsibilities of remaining staff have been reviewed which has resulted in an Annual saving of approximately £65,000.
25. A considerable amount of promotional work is being undertaken for Stadium Fitness and the refurbished Legends Bar has now become fully operational with various promotional activities being planned for quarter 4.
26. Halton Table Tennis Club has a new world champion in Andrew Ruston who joined in 2013 as Senior Coach. Andrew, who is currently playing in Switzerland and studying for his level 4 coaches award, is one of the top seniors in the British League, provides a high-profile presence for the development of the sport in Halton.

#### *Civic Catering/School Meals*

27. The School Meals Manager has recently retired and her duties have been redistributed and the new arrangement is working well and has provided continuity of service. The –All-Pay cashless system is being withdrawn by the provider from the 10schols that use this service and work is presently underway with colleagues in procurement to source a replacement provider.

#### *Property Services*

28. A detailed analysis of the occupancy levels of our main corporate office accommodation has now been undertaken, in order to help us with the move to make our buildings more efficient. Work will now be undertaken in respect this with the intention of bringing forward a report in the New Year which will focus on the more efficient use of office space.
29. A contractor has now been appointed in respect of the proposed demolition of the Police Station and Magistrates Court in Widnes. The Council is due to complete on the purchase of the site in early January, immediately following which the contractor will take possession of the site. The demolition works are due for completion by the end of May

### 3.0 Emerging Issues

3.1 A number of emerging issues have been identified during the period that will impact upon the work of the Directorate including:-

#### *Finance*

##### *Financial Management*

- a) Executive Board will be presented with budget proposals on 11<sup>th</sup> February and a report will then be considered by Council on 02<sup>nd</sup> March 2016. This will include additional budget reductions required in order to deliver a balanced budget for 2016/17.
- b) The Department for Communities and Local Government (DCLG) have issued a consultation on the New Homes Bonus Grant, which looks at 'sharpening the incentive' available as part of the grant. The consultation has a closing date of 10<sup>th</sup> March 2016 and HBC will contribute to responses to the consultation from SIGOMA (The Special Interest Group of Municipal Authorities) and the Liverpool City Region. The objective of the proposals are a series of changes which would, in aggregate, save at least £800m from future grant allocations, the national total of the grant is currently £1.5bn.

##### *Revenues and Welfare Rights*

- c) The Council remains alert to the prevalence of Business Rates Avoidance Schemes, including those by charities, and continues to proactively ensure that all avenues are pursued and appropriate action taken where these are identified in order to minimise the impact upon the collection of legitimate revenues.
- d) The continued demand for Welfare Benefits Advice, and the continuing changes to the national benefits framework, will require staff to be upskilled and training needs are being closely monitored and actioned. Additionally the rationalisation of premises used by the Courts and HM Tribunals service mean that potentially hearings will be held outside of the borough. Following public consultation final decisions are currently awaited.

##### *Audit and Operational Finance*

- e) The Council's cash collection contract with G4S has been extended until the end of June 2016 to allow the finalisation of a framework set up by the Yorkshire Purchasing Organisation. The finalisation of the framework will allow the Council to undertake a mini completion exercise to determine the most suitable contract as we move forward and this will commence as of 01<sup>st</sup> July 2016.

##### *People, Policy, Performance and Efficiency*

- f) Changes resulting from the Trade Union Bill may require some process amendments, e.g. the deduction of subscriptions, and HR will work closely with Trade Union colleagues to complete any work required to minimise any adverse impact. And the service will be supporting the TUPE transfer of staff from Places for People and Council Leisure Services are brought back in-house from April 2016.
- g) Wave 7 of the Efficiently Programme will be soon be proposed and submitted to the Efficiency Board and the Council's Single Equality Scheme will be reviewed to ensure the Council's obligations under the Equality Act and Public Sector Equality Duty continue to be met.

### *ICT and Administration Support Services*

- h) Given that a less restrictive more competitive cloud environment is now in place this will allow the further development of the end-user and application solution which will enhance home and office based working and provide further commercial opportunity. Considerable analysis is presently underway to determine user requirements and device needs which will form the platform for future deployment.
- i) Progress is being made in developing physical network connections to the Police and the NHS Health Network allowing key front-line workers to connect from either parties premises to their own systems with less complexity and greater ease of access with a view to full completion by March 2016.
- j) The Records Management Unit continues to develop with more departments making full use of the facility thereby creating further operational efficiencies and savings. There are some issues being experienced as a result of staff turnover and these continue to be addressed in order that files can be catalogued at an acceptable rate.

### *Legal and Democratic Services*

- k) Committee and Legal Services support continues to be required as the Liverpool City Region devolution issues emerge and extensive legal, marketing and website support continues to be provided in response to the transfer in-house of leisure centres under the 'Active Halton' brand.

## **4.0 Risk Control Measures**

- 4.1 Risk control forms an integral part of the Council's Business Planning and performance monitoring arrangements. As such Directorate Risk Registers were updated in tandem with the development of the suite of 2015 – 16 Directorate Business Plans.

Progress concerning the implementation of all Directorate high-risk mitigation measures was reported in Quarter 2.

Risk Registers are currently being reviewed for 2016 – 17 in tandem with the development of next year's Business Plan.

## **5.0 High Priority Equality Actions**

- 5.1 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.

The Council's latest annual progress report in relation to the achievement of its equality objectives was published on the Council website during quarter 4 and is available via:

<http://www3.halton.gov.uk/Pages/councildemocracy/pdfs/EandD>

## 6.0 Performance Overview

6.1 The following information provides a synopsis of progress for both milestones and performance indicators across the key business areas relevant to the remit of the Board:

### Financial Management

#### Key Objectives / milestones

Ref	Milestones	Q3 Progress
FS 01	Report Medium Term Financial Strategy to Executive Board, <b>November 2015</b> .	
FS 03	Complete the Draft Statement of Accounts for certification by Chief Financial Officer <b>by 30<sup>th</sup> June 2015</b> .	
FS 03	Publish the Statement of Accounts <b>by 30<sup>th</sup> September 2015</b> .	

#### Supporting Commentary

To allow for details of the 2015/16 CSR to be included the Medium Term Financial Strategy was reported slightly later than planned on 09<sup>th</sup> December 2015. The Draft Statement of Accounts was certified and shred with the External Auditor as planned and the final document was published on the Council's website following approval by the Business Efficiency Board.

#### Key Performance Indicators

Ref	Measure	14 / 15 Actual	15 / 16 Target	Q3 Actual	Q3 Progress	Direction of travel
FS LI 04	Proportion of Council Tax that was due that was collected.	95.47%	94.75%+	83.04%		
FS LI 05	The percentage of Business Rates which should have been received during the year that were received.	97.04%	95.00%+	82.20%		
FS LI 07	Average time for processing new claims (Housing & Council Tax Benefit).	14.42	20	18.6		

#### Supporting Commentary

Although all measures fall slightly below the position at the same point last year all remain with expected variation and on target for year-end.

**Key Objectives / milestones**

Ref	Milestones	Q3 Progress
HRLD 01	On-going enhancements to i-Trent system capabilities <b>March 2016</b>	
HRLD 02	Promote and take forward the delivery of actions identified within Corporate People Plan <b>March 2016</b> .	

**Supporting Commentary**

I Trent system capabilities have been enhanced as planned and as detailed previously the People Plan has now been updated with existing actions being delivered as planned.

**Key Performance Indicators**

Ref	Measure	14 / 15 Actual	15 / 16 Target	Q3 Actual	Q3 Progress	Direction of travel
HRLD LI 01	The number of working days / shifts lost due to sickness (Corporate).	10.44	10	6.69		
HRLD LI 04	% of training delegates attending as proportion of places reserved.	99	90	88		
HRLD LI 05	The percentage of top 5% of earners that are:					
	a) Women	55.62	50	51.88		
	b) From BME communities.	1.85	1.5	2.0		
	c) With a disability.	0.71	8.0	0.78		
HRLD LI 06	No of staff declaring that they meet the Disability Discrimination Act as a % of the total workforce.	1.44	10.0	1.25		
HRLD LI 07	Minority of Ethnic Community staff as a percentage of the total workforce.	1.22	1.0	1.16		

**Supporting Commentary**

Sickness absence continues to be monitored and at this stage is likely to achieve annual target with Q2 being marginally better than the same period last year (7.67 days).

Training continues to be well-attended although it is unlikely that targets for disability related staff measures will be achieved at year-end. The service will continue to ensure that as far as possible there are no barriers to employment with the authority for all sections of the community.

### ICT Infrastructure

#### Key Objectives / milestones

Ref	Milestones	Q3 Progress
ICT 01a	Continued Enhancement of the virtualization platform to enhanced or new technologies, <b>March 2016</b> .	
ICT 01b	Further development of Cloud Services Platform, <b>March 2016</b> .	As above
ICT 01c	SharePoint and Records Management enhancements <b>March 2016</b> .	As above
ICT 01d	Continued Social Care Systems Service Support Programme <b>March 2016</b> .	As above
ICT 01e	OC and Desktop OS Replacement Programme <b>March 2016</b> .	As above
ICT 01f	Continued Lync Enhancement Programme <b>March 2016</b> .	As above
ICT 01g	Interactive Web Services Enhancement and further SharePoint Integration <b>March 2016</b> .	As above
ICT 01h	Further development of commercial ICT opportunity within desktop, hosting and DR provision <b>March 2016</b> .	As above
ICT 02d	Continued development of document management and distribution services - <b>March 2015</b> .	As above
ICT 04a	Conduct & Evaluate point of contact Satisfaction survey for ICT & Support Services - <b>March 2015</b> .	As above

#### Supporting Commentary

All infrastructure related objectives are progressing as planned as explained within the previous sections of the report with document management and distribution services becoming more widely used.

Negotiations are currently underway with Microsoft concerning the continued deployment of Lync and the satisfaction survey is being incorporated into the corporate desktop replacement project.

#### Key Performance Indicators

Ref	Measure	14 / 15 Actual	15 / 16 Target	Q3 Actual	Q3 Progress	Direction of travel
ICT LI 1	Average availability of the Council's operational servers (%).	99	99	99		
ICT LI 4	% Of all responsive repairs completed within 2 working days.	86	80	80		

Ref	Measure	14 / 15 Actual	15 / 16 Target	Q3 Actual	Q3 Progress	Direction of travel
ICT LI 8	Average working days from order to completion of a new PC.	5	10	10		

### Supporting Commentary

Progress against all measures is remain are on track to be achieved.

### Legal & Democracy

### Key Objectives / milestones

Ref	Milestones	Q3 Progress
LD 02a	To ensure that all members have been given the opportunity of a having a MAP meeting.	

### Supporting Commentary

MAP meetings are continually taking place throughout the calendar year.

### Key Performance Indicators

Ref	Measure	14 / 15 Actual	15 / 16 Target	Q3 Actual	Q3 Progress	Direction of travel
LD LI 03	Average Time taken to issue prosecutions from receipt of full instructions (working days).	10	10	10		
LD LI 05	Average time taken to file application for Care proceedings at Court from receipt of all written evidence from client department (working days).	1	3	1		

### Supporting Commentary

Performance is at expected levels.

**Key Objectives / milestones**

Ref	Milestones	Q3 Progress
CE 2	Identify areas for improvement in line with the Business Plan and Marketing Plan (this will drive the development of milestones for 2016/17). <b>January 2016</b>	
CE 3	Deliver a promotion and educational campaign (AOF 1) <b>September 2015 and January 2016</b>	

**Supporting Commentary**

CE 2

All areas of Stadium activity are scrutinised and discussed with budget managers and finance to determine priority areas for the next year.

CE 3

Promotional campaign complete, new menus issued to all users and non-users.

**Key Performance Indicators**

Ref	Measure	14 / 15 Actual	15 / 16 Target	Q3 Actual	Q3 Progress	Direction of travel
CE LI 1	No. of meals served versus hourly input of labour (Previously SH1).	10.80	10.00	11.39		
The percentage (%) take up of free school meals to those who are eligible:						
CE LI 6	Primary Schools	91.7%	85%	81%		
CE LI 7	Secondary Schools	77.1%	75%	78%		
Take up of school lunches (Previously NI 52 a & b):						
CE LI 8	Primary Schools	60.8%	65%	67%		
CE LI 9	Secondary Schools	54.95%	57%	58%		
Food cost per school meal (pence):						
CE LI 14	Primary Schools	71p	78p	71p		
CE LI 15	Secondary Schools	£1.01	95p	96p		

### Supporting Commentary

#### CE LI 1

The meals per hour target is exceptional for this time of year, annuals targets will be exceeded.

#### CE LI 6

This figure is slightly lower than expected but the recent marketing campaign should help increase this figure.

#### CE LI 7

The uptake in Secondary schools is excellent.

#### CE LI 8 & CE LI 9

Despite HBC school charges being in the top quartile user numbers are very good and the annual target will be achieved.

#### CE LI 14

An excellent result for this time of year, the annual target will be achieved.

#### CE LI 15

Although actual is slightly higher than target it is significantly better than at this time last year, the annual target should be achieved.

### Property Services

#### Key Performance Indicators

Ref	Measure	14 / 15 Actual	15 / 16 Target	Q3 Actual	Q3 Progress	Direction of travel
CED060	Occupancy of HBC industrial Units	89%	90%	94%		
CED061	Occupancy of Widnes Market Hall	85%	95%	82%		

### Supporting Commentary

Occupancy rates remain at expected levels given the current economic climate although the annual target for Widnes Market Hall is at this stage a little optimistic.

## FINANCE DEPARTMENT

**Revenue Budget as at 31<sup>st</sup> December 2015**

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<b><u>Expenditure</u></b>				
Employees	7,258	5,486	5,071	415
Supplies & Services	560	435	416	19
Other Premises	86	77	50	27
Insurances	1,614	1,104	1,104	0
Concessionary Travel	2,127	1,201	1,201	0
Rent Allowances	53,700	39,736	39,736	0
Non HRA Rebates	66	47	47	0
Discretionary Housing Payments	387	233	233	0
Local Welfare Payments	150	86	86	0
<b>Total Expenditure</b>	<b>65,948</b>	<b>48,405</b>	<b>47,944</b>	<b>461</b>
<b><u>Income</u></b>				
Fees & Charges	-190	-112	-112	0
SLA to Schools	-747	-747	-747	0
NNDR Administration Grant	-166	0	0	0
Hsg Ben Administration Grant	-782	-521	-521	0
Council Tax Admin Grant	-208	-208	-208	0
Rent Allowances	-52,700	-35,186	-35,186	0
Clerical Error Recoveries	-998	-378	-378	0
Non HRA Rent Rebates	-66	-52	-52	0
Discretionary Housing Payments Grant	-387	-344	-344	0
Reimbursements & Other Grants	-319	-282	-332	50
Liability Orders	-421	-421	-466	45
Transfer from Reserves	-803	0	0	0
<b>Total Income</b>	<b>-57,787</b>	<b>-38,251</b>	<b>-38,346</b>	<b>95</b>
<b>Net Controllable Expenditure</b>	<b>8,161</b>	<b>10,154</b>	<b>9,598</b>	<b>556</b>
<b><u>Recharges</u></b>				
Premises	396	297	297	0
Transport	24	18	18	0
Asset Charges	19	0	0	0
Central Support Services	3,494	2,621	2,621	0
Support Services Income	-7,540	-5,655	-5,655	0
<b>Net Total Recharges</b>	<b>-3,607</b>	<b>-2,719</b>	<b>-2,719</b>	<b>0</b>
<b>Net Department Total</b>	<b>4,554</b>	<b>7,435</b>	<b>6,879</b>	<b>556</b>

**Comments on the above figures:**

In overall terms spending is below the budget profile at the end of quarter three.

With regards to expenditure, employee costs are below the budget profile due to vacant posts that exist within the Revenues and Benefits Division and the Procurement Division. Revenues and Benefits has recently undergone a restructure and a number of Revenues and Benefits officer posts are currently being recruited to, in order to support the ongoing Benefits Reform programme. Other vacant posts within the Finance Department have been approved by Council as budget saving proposals for 2016/17.

Reimbursements & Other Grant Income is in excess of the budget profile due to the receipt of a number of one-off Revenues and Benefits new burdens grants.

At this stage it is anticipated that spend will be within budget at the end of the financial year.

## POLICY, PEOPLE, PERFORMANCE AND EFFICIENCY DEPARTMENT

### Revenue Budget as at 31<sup>st</sup> December 2015

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<b><u>Expenditure</u></b>				
Employees	2,080	1,577	1,522	55
Employee Training	133	49	49	0
Supplies & Services	131	95	69	26
Agency Related	23	23	23	0
<b>Total Expenditure</b>	<b>2,367</b>	<b>1,744</b>	<b>1,663</b>	<b>81</b>
<b><u>Income</u></b>				
Fees & Charges	-106	-95	-111	16
Reimbursements & Other	-31	-25	-26	1
Grants				
School SLA's	-381	-381	-381	0
Transfers from Reserves	-70	-70	-70	0
<b>Total Income</b>	<b>-588</b>	<b>-571</b>	<b>-588</b>	<b>17</b>
<b>Net Operational Expenditure</b>	<b>1,779</b>	<b>1,173</b>	<b>1,075</b>	<b>98</b>
<b><u>Recharges</u></b>				
Premises Support	104	78	78	0
Transport Recharges	5	4	4	0
Central Support Recharges	906	680	680	0
Support Recharges Income	-2,942	-2,206	-2,206	0
<b>Net Total Recharges</b>	<b>-1,927</b>	<b>-1,444</b>	<b>-1,444</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>-148</b>	<b>-271</b>	<b>-369</b>	<b>98</b>

### **Comments on the above figures:**

In overall terms, spending is slightly below the budget profile at the end of the third quarter.

With regards to employee related expenditure, it is lower than the budget profile due to vacancies that exist within the Department. An organisational restructure of the staffing establishment will take place which has resulted in Council approving budget saving proposals for 2016/17.

Supplies & services expenditure is lower than the budget profile due to reduced spend on document imaging and general computer expenditure.

With regards to income Fees and Charges income is above the budget due to an increase in income from academy schools and other external organisations for the provision of HR and payroll services.

At this stage it is anticipated that overall net expenditure will be within budget by the end of the year.

## ICT AND SUPPORT SERVICES DEPARTMENT

### Revenue Budget as at 31<sup>st</sup> December 2015

	Annual Budget	Budget to Date	Actual to Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<b><u>Expenditure</u></b>				
Employees	5,607	4,159	4,012	147
Supplies & Services	682	416	315	101
Computer Repairs & Software	641	515	506	9
Communications Costs	332	319	319	0
Other Premises	23	22	23	(1)
Capital Financing	372	293	288	5
Transfers to Reserves	75	0	0	0
<b>Total Expenditure</b>	<b>7,732</b>	<b>5,724</b>	<b>5,463</b>	<b>261</b>
<b><u>Income</u></b>				
Fees & Charges	-551	-253	-246	(7)
Reimbursements & Other Grants	-176	-176	-176	0
Internal Billing	-12	-12	-18	6
Transfers from Reserves	-211	-61	-61	0
SLA to Schools	-556	-515	-513	(2)
<b>Total Income</b>	<b>-1,506</b>	<b>-1,017</b>	<b>-1,014</b>	<b>(3)</b>
<b>Net Controllable Expenditure</b>	<b>6,226</b>	<b>4,707</b>	<b>4,449</b>	<b>258</b>
<b><u>Recharges</u></b>				
Premises	397	298	298	0
Transport	27	20	20	0
Asset Charges	1,161	0	0	0
Central Support Services	1,121	841	841	0
Support Service Income	-8,932	-6,699	-6,699	0
<b>Net Total Recharges</b>	<b>-6,226</b>	<b>-5,540</b>	<b>-5,540</b>	<b>0</b>
<b>Net Department Total</b>	<b>0</b>	<b>-833</b>	<b>-1,091</b>	<b>258</b>

### Comments on the above figures

In overall terms spending is below the budget profile at the end of the third quarter. With regards to expenditure, employee related expenditure is lower than the budget profile due to staff turnover and vacancies that exist within the Admin Division. Some posts are in the process of being filled and other posts have been deleted from the staffing structure as part of approved budget proposals for 2016/17. The in-year underspend is temporarily being used to alleviate pressures on the fees & charges income target.

Expenditure on supplies and services is also lower than the budget profile which is a result of tighter controls now being in operation in respect of the purchasing of stationery, office equipment and external printing. Approved budget proposals for 2016/17 include a reduction of £100k to this budget.

***At this stage it is anticipated that the overall net Department spending will be within budget at the year end.***

### Capital Projects as at 31<sup>st</sup> December 2015

<b>Capital Expenditure</b>	<b>2015/16 Capital Allocation £'000</b>	<b>Allocation to Date £'000</b>	<b>Actual Spend to Date £'000</b>	<b>Total Allocation Remaining £'000</b>
IT Rolling Programme	1,718	1,289	1,497	221
<b>Net Expenditure</b>	<b>1,718</b>	<b>1,289</b>	<b>1,497</b>	<b>221</b>

### Comments on the above figures.

It is expected that the full capital allocation will be spent by the financial year end.

## LEGAL & DEMOCRATIC SERVICES DEPARTMENT

### Revenue Budget as at 31<sup>st</sup> December 2015

	Annual Budget	Budget To Date	Actual To Date	Variance To Date
	£'000	£'000	£'000	(overspend) £'000
<b><u>Expenditure</u></b>				
Employees	1,919	1,443	1,418	25
Supplies & Services	337	266	195	71
Civic Catering & Functions	27	3	3	0
Mayoral Allowances	22	16	18	(2)
Legal Expenses	215	101	104	(3)
<b>Total Expenditure</b>	<b>2,520</b>	<b>1,829</b>	<b>1,738</b>	<b>91</b>
<b><u>Income</u></b>				
Land Charges	-101	-76	-69	(7)
License Income	-251	-218	-218	0
Schools SLA's	-55	-55	-76	21
Government Grants	-34	-34	-35	1
Other Income	-73	-70	-86	16
Transfers from Reserves	-10	0	0	0
<b>Total Income</b>	<b>-524</b>	<b>-453</b>	<b>-484</b>	<b>31</b>
<b>Net Operational Expenditure</b>	<b>1,996</b>	<b>1,376</b>	<b>1,254</b>	<b>122</b>
<b><u>Recharges</u></b>				
Premises Support	132	99	99	0
Transport Recharges	26	20	20	0
Central Support Recharges	425	319	319	0
Support Recharges Income	-2,054	-1,476	-1,476	0
<b>Net Total Recharges</b>	<b>-1,471</b>	<b>-1,038</b>	<b>-1,038</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>525</b>	<b>338</b>	<b>216</b>	<b>122</b>

#### Comments on the above figures:

In overall terms spending is below the budget profile at the end of quarter three.

With regards to expenditure supplies & services expenditure is lower than the budget profile due to reduced spend on legal books and publications as a result of a move to using on-line resources. Also, the external contract for website design has not been renewed as this work will now be undertaken in-house.

With regards to income, buy-back of the Legal Services SLA has exceeded the original forecast.

At this stage it is anticipated that overall net expenditure will be within budget by the end of the year.

## COMMUNITY & ENVIRONMENT DEPARTMENT

### Revenue Budget as at 31 December 2015

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend) £'000
<b><u>Expenditure</u></b>				
Employees	12,058	9,522	9,582	(60)
Other Premises	1,182	913	878	35
Supplies & Services	1,585	949	879	70
Book Fund	142	106	107	(1)
Hired & Contracted Services	1,152	753	766	(13)
Food Provisions	629	469	459	10
School Meals Food	2,077	1,320	1,300	20
Transport	54	52	59	(7)
Other Agency Costs	674	145	60	85
Waste Disposal Contracts	5,160	2,667	2,708	(41)
Leisure Management Contract	1,496	1,075	1,136	(61)
Grants To Voluntary Organisations	317	268	257	11
Grant To Norton Priory	222	222	229	(7)
Rolling Projects	38	38	38	0
Capital Financing	9	7	0	7
<b>Total Spending</b>	<b>26,795</b>	<b>18,506</b>	<b>18,458</b>	<b>48</b>
<b><u>Income</u></b>				
Sales Income	-2,207	-1,655	-1,526	(129)
School Meals Sales	-2,180	-1,585	-1,606	21
Fees & Charges Income	-3,272	-2,576	-2,501	(75)
Rents Income	-235	-234	-277	43
Government Grant Income	-1,202	-1,179	-1,168	(11)
Reimbursements & Other Grant Income	-548	-426	-453	27
Schools SLA Income	-79	-79	-83	4
Internal Fees Income	-120	-83	-106	23
School Meals Other Income	-2,270	-1,791	-1,800	9
Meals On Wheels	-196	-134	-96	(38)
Catering Fees	-225	-154	-78	(76)
Capital Salaries	-53	-33	-17	(16)
Transfers From Reserves	-50	-23	-23	0
<b>Total Income</b>	<b>-12,637</b>	<b>-9,952</b>	<b>-9,734</b>	<b>(218)</b>
<b>Net Controllable Expenditure</b>	<b>14,158</b>	<b>8,554</b>	<b>8,724</b>	<b>(170)</b>
<b><u>Recharges</u></b>				
Premises Support	1,947	1,472	1,472	0
Transport Recharges	2,390	1,223	1,223	0
Departmental Support Services	9	0	0	0
Central Support Services	3,146	2,379	2,379	0
Asset Charges	3,005	0	0	0
HBC Support Costs Income	-382	-390	-390	0
<b>Net Total Recharges</b>	<b>10,115</b>	<b>4,684</b>	<b>4,684</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>24,273</b>	<b>13,238</b>	<b>13,408</b>	<b>(170)</b>

### **Comments on the above figures:**

The net budget is £170,000 over budget profile at the end of the third quarter of the financial year.

There have been a number of staff who have left the department on redundancy terms over the past quarter and subsequent vacant posts will help contribute to the staff turnover savings target for the remainder of the year. Although it is currently forecast that employee expenditure will remain above budget at year-end.. . Agency staff expenditure has decreased slightly in quarter three and is still significantly lower than last year, with the introduction of the apprenticeship scheme and vacant posts being filled.

Supplies and services remain under budget profile across all Divisions to offset budget pressures within the Department. There are small underspends on areas such as equipment, advertising, and clothing.

The Leisure Contract is now in its final year and will end in March 2016, after which the service will be brought back in house and realise agreed savings.

Waste Disposal contracts are still over budget profile and will remain a pressure throughout the remainder of the year. This budget will be closely monitored throughout the new financial year to ensure costs are contained and brought back in line with budget.

Other Agency costs are £85,000 under budget profile mainly due to underspending on the Area Forums where some projects have still not yet been completed.

Sales, Fees & Charges and Internal Catering Fees are the most significant under-achievements on income across the Department. Fees and Charges income has recovered a little in this quarter mainly due to generated income relating to the Brindley and Open Spaces being maximised. The income relating to the collection of green waste has however over performed against budget by £44,000.

## Capital Projects as at 31st December 2015

	2015-16 Capital Allocation £'000	Allocation To Date £'000	Actual Spend To Date £'000	Total Allocation Remaining £'000
Stadium Minor Works	30	30	31	(1)
Stadium 3G Equipment	12	0	0	12
Widnes Recreation Site	741	600	573	168
Norton Priory	2,843	700	680	2,163
Norton Priory Biomass Boiler	107	0	0	107
Children's Playground Equipment	138	98	92	46
Upton Improvements	13	0	0	13
Crow Wood Play Area	4	2	0	4
Runcorn Hill Park	138	138	521	(383)
Runcorn Cemetery Extension	9	0	0	9
Cremators Widnes Crematorium	109	109	188	(79)
Peelhouse Lane Cemetery	1020	12	12	1,008
Peelhouse Lane Cemetery-Enabling Work	65	20	20	45
Open Spaces Schemes	160	100	97	63
Playground Third Party Funding	340	0	0	340
Litter Bins	20	20	19	1
<b>Total</b>	<b>5,749</b>	<b>1,829</b>	<b>2,232</b>	<b>3,512</b>

### Comments on the above figures

The Widnes Recreation project has now been completed although there are still a number of payments due in respect of retention and project completion. Total spend will be within the allocation.

The Norton Priory "Monastery To Museum" project commenced on-site in August 2015, and has an anticipated completion date of July 2016. Total Heritage Lottery funding amounts to £3.9M over the course of the project.

Funding for the Runcorn Hill Park project remains a concern. The initial contractor tasked with phase one of the building works went into liquidation once work had commenced. The decision was taken to continue with the project with the expectation that extra funding may be secured to meet the resulting increased costs. The additional costs of the re-tendered contract, together with remedial works required to the original constructions, and additional security costs, are in the region of £390,000. Requests to external bodies for additional funding have so far proved unsuccessful. Heritage Lottery Fund, the principal contributor to the scheme are unwilling to contribute further to phase one of the works. Total project funding from the Heritage Lottery Fund amounts to £2.2M until 2018 for a number of phases of the programme, and consideration is currently being given as to whether the costs of subsequent phases of the work can be reduced, whilst still attracting the full level of grant funding originally offered.

The allocation for Playground Third Party Funding represents funding carried forward from previous years to provide match funding for external grants. Any residual funding will be carried forward at year-end.

## ECONOMY, ENTERPRISE & PROPERTY DEPARTMENT

### Summary financial position as 31<sup>st</sup> December 2015

	Annual Budget £'000	Budget to Date £'000
<b><u>Expenditure</u></b>		
Employees	4,259	3,138
Repairs & Maintenance	2848	1,936
Premises	45	43
Energy & Water Costs	656	384
NNDR	533	513
Rents	431	397
Marketing Programme	22	7
Promotions	8	4
Supplies & Services	1,404	641
Agency Related Expenditure	3	3
Grants to Non Voluntary Organisations	352	339
Surplus Property Assets	-685	-514
Revenue Contrib'n to / from Reserves	175	175
<b>Total Expenditure</b>	<b>10,051</b>	<b>7,066</b>
<b><u>Income</u></b>		
Fees & Charges	-496	-338
Rent - Markets	-766	-574
Rent - Industrial Estates	-614	-452
Rent – Investment Properties	-655	-447
Transfer to / from Reserves	-676	-676
Government Grant - Income	-1,806	-1,355
Reimbursements & Other Income	-265	-260
Recharges to Capital	-227	-47
Schools SLA Income	-486	-481
<b>Total Income</b>	<b>-5,991</b>	<b>-4,630</b>
<b>NET OPERATIONAL BUDGET</b>	<b>4,060</b>	<b>2,436</b>
Premises Support Costs	1,924	1,452
Transport Support Costs	32	21
Central Support Service Costs	1,824	1,378
Asset Rental Support Costs	2,543	0
Repairs & Maint. Rech. Income	-2,558	-1,919
Accommodation Rech. Income	-2,763	-2,072
Central Supp. Service Rech. Income	-1,836	-1,377
<b>Total Recharges</b>	<b>-834</b>	<b>-2,517</b>
<b>Net Expenditure</b>	<b>3,226</b>	<b>-81</b>

## **Comments**

The latest quarter shows the employees budget will not achieve the anticipated target set for the employee savings. This is due to service demands within the Department with any in year vacancies being filled quickly to avoid a backlog of workloads.

Expenditure has been restricted in year on supplies and services across all Division's and as a result the expenditure is under budget at the end of quarter 3.

Premises costs have remained stable during quarter 3 with accommodation space currently utilised to its maximum potential with both HBC and external agencies staff.

The trading climate is difficult within the region and a number of stalls at Widnes market are currently vacant; nevertheless both Widnes / Runcorn outdoor markets and the market hall are forecasting to over achieve on the income targets set for this financial year.

Due to the current economic climate the Asset Management Team continue to face pressure in renting out of commercial properties to various organisations. Based upon current occupancy levels the service is going to surpass it's current set income target. However, this could vary based upon any changes in occupancy levels and the impact of rental reviews during the final quarter of the year. The earliest we can foresee Surplus Property Assets savings of £685k being achieved is in 2016/17 due to the length of time involved in implementing the programme.

Fees and Charges and School SLA budgets vary from quarter to quarter depending on the level of support required. Both the cleaning and facilities team have over achieved on income targets the current financial year.

Overall the budget position will continue to be monitored and updates provided on a monthly basis to Budget Holders. Managers are reminded of the need to keep within budgets and remedial action undertaken.

## ECONOMY, ENTERPRISE & PROPERTY DEPARTMENT

### Summary financial position as at 31<sup>st</sup> December 2015

	2015/16 Capital Allocation £'000	Allocation To Date £000's	Expenditure to Date £'000	Variance to Date (overspend) £'000
<b>Economy, Enterprise &amp; Property Dep't</b>				
Castlefields Regeneration	635	120	117	3
3MG	3,493	320	324	(4)
Widnes Waterfront	200	0	0	0
Johnsons Lane Infrastructure	450	120	137	(17)
Decontamination of Land	6	0	0	0
Sci Tech Daresbury	10,965	9	9	0
Former Crossville Depot	200	161	161	0
Peel House Lane Demolition	6	1	1	0
Police Station Demolition	342	30	30	0
Travellers Site - Warrington Road	1,362	1,312	1,302	10
Widnes Town Centre Initiative	21	8	6	2
Lower House Lane Depot – Upgrade	24	17	17	0
Signage at The Hive	5	0	0	0
Equality Act Improvement Works	50	25	18	7
<b>Grand Total</b>	<b>17,754</b>	<b>2,123</b>	<b>2,122</b>	<b>1</b>

### Comments

Warrington Road Travellers Site is now partially complete(S106 funding with Redrow still to be agreed).

In regards to Former Crossville Depot. a planning application has been submitted and are currently awaiting approval before work commences..

The timing of spend for Castlefields Regeneration scheme is unknown as the main expenditure item relates to a compulsory purchase order claim (which is likely to be referred to Lands Tribunal).

The bulk of the capital allocation for 3MG will be used to fund the construction of rail sidings which will commence in quarter 3.

Widnes Waterfront and Bayer project will only commence once the developer has an end user in place so timing of spend is hard to predict at this moment in time.

Decontamination of Land allocation will fund final contract retention payment.

Sci Tech Daresbury spend will relate to purchase of Tech Space building which is expected to be towards the end of the financial year.

## 8.0 Explanation of Symbols

Symbols are used in the following manner:

### Progress Symbols

<u>Symbol</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 <u>is 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 taken</u>.</i>

### Direction of Travel Indicator

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