



Corporate Policy and Performance Board

Tuesday, 31 January 2017 6.30 p.m.
Civic Suite, Town Hall, Runcorn

A handwritten signature in black ink, appearing to read 'David WR', positioned above a large green and white curved graphic element.

Chief Executive

BOARD MEMBERSHIP

Councillor Robert Gilligan (Chair)	Labour
Councillor Alan Lowe (Vice-Chair)	Labour
Councillor John Abbott	Labour
Councillor Ellen Cargill	Labour
Councillor Harry Howard	Labour
Councillor Chris Loftus	Labour
Councillor Angela McInerney	Labour
Councillor Norman Plumpton Walsh	Labour
Councillor Joe Roberts	Labour
Councillor Gareth Stockton	Liberal Democrat
Councillor Kevan Wainwright	Labour

*Please contact Gill Ferguson on 0151 511 8059 or
gill.ferguson@halton.gov.uk for further information.
The next meeting of the Board is on Date Not Specified*

**ITEMS TO BE DEALT WITH
IN THE PRESENCE OF THE PRESS AND PUBLIC**

Part I

Item No.	Page No.
1. MINUTES	1 - 3
2. DECLARATION OF INTEREST (INCLUDING PARTY WHIP DECLARATIONS)	
Members are reminded of their responsibility to declare any Disclosable Pecuniary Interest or Other Disclosable Interest which they have in any item of business on the agenda, no later than when that item is reached or as soon as the interest becomes apparent and, with Disclosable Pecuniary Interests, to leave the meeting during any discussion and voting on the item.	
3. PUBLIC QUESTION TIME	4 - 6
4. EXECUTIVE BOARD MINUTES	7 - 18
5. DEVELOPMENT OF POLICY ISSUES	
(A) LOCAL AREA FORUMS	19 - 22
(B) COUNCIL TAX COLLECTION COSTS	23 - 31
6. PERFORMANCE MONITORING	
(A) BUSINESS PLANS 2017 - 18	32 - 34
(B) PERFORMANCE MANAGEMENT REPORTS FOR QUARTER 2 OF 2016/17	35 - 62

In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.

CORPORATE POLICY AND PERFORMANCE BOARD

At a meeting of the Corporate Policy and Performance Board on Tuesday, 1 November 2016 in the Civic Suite, Town Hall, Runcorn

Present: Councillors Gilligan (Chair), A. Lowe (Vice-Chair), Abbott, E. Cargill, Howard, A. McInerney, Joe Roberts, G. Stockton and Wainwright

Apologies for Absence: Councillor N. Plumpton Walsh

Absence declared on Council business: None

Officers present: M. Reaney, I. Leivesley, G. Ferguson, S. Davies, T. Dean and J. Hughes

Also in attendance: Under Standing Order No 33, Councillor R. Hignett

**ITEM DEALT WITH
UNDER DUTIES
EXERCISABLE BY THE BOARD**

		<i>Action</i>
CS16	MINUTES	
	The Minutes from the meeting held on 6 th September 2016 were taken as read and signed as a correct record.	
CS17	PUBLIC QUESTION TIME	
	The Board was advised that no public questions had been received.	
CS18	EXECUTIVE BOARD MINUTES	
	The Board was presented with the Minutes relating to the Corporate Services Portfolio which had been considered by the Executive Board since the last meeting of the Board.	
	Under Minute No CS14, it was agreed that additional information would be circulated to Members on the current situation at East Lane with regard to Council Tax/Business rate collection.	
	RESOLVED: That the minutes be noted.	

CS19 INTERIM CORPORATE ACCIDENT/INCIDENT REPORT
1.4.16-1.9.16

Tony Dean, Principal Health and Safety Advisor, presented the Committee with the Corporate Health, Safety and Welfare Policy and the Corporate Accident/ Incident report from 1 April to 1 September 2016. The interim health and safety report on the performance of health and safety management in relation to Key Performance Indicators for the current financial year was appended.

The report highlighted:

1. national and local health and safety information together with identified trends;
2. that there had been a year by year decrease in the number of accidents resulting in 'days lost', with 10 this year and 13 for the same period last year;
3. this decrease was primarily due to the reduction in the number of manual handling accidents, in particular involving Social Care staff, and also slips and trips accidents, which took place whilst working outdoors;
4. there had been a significant decrease in the number of physical violent incidents on both Council and school staff; and
5. although there has been a slight decline in the use of the Lone Working Monitoring system, new equipment was now available that was easier to carry and raise an alarm and also, new processes implemented that were intended to expedite registration and training.

RESOLVED: That the report be noted.

CS20 EXTERNAL FUNDING UPDATE

The Board considered a report of the Strategic Director Enterprise, Community and Resources, which provided an update on the work of the Regeneration Non Town Centres (RNTC) Team in securing funding resources into Halton. The report highlighted:

- success rate of applications and reasons for unsuccessful bids;
- an overview of major funding streams, including an update on the European Structural and Investment Fund (ESIF);
- the cost of the team against the level of funding secured;

- effect on the Council's core budget, if any, of securing external funding; and
- a preliminary assessment of the likely implications for the Borough of the recent EU referendum decision.

Arising from the discussion, it was agreed that the following information would be circulated to Members:

- On page 33, clarification on the criteria for deciding 'significant company'; and
- a document on the pressures facing local authorities due to post referendum implications and Government funding reductions.

RESOLVED: That the report be noted and a further update report be submitted to a future meeting of the Board.

CS21 PROPERTY SERVICES UPDATE

The Board received a report from the Strategic Director Enterprise, Community and Resources, which provided an update on initiatives and actions which Property Services had delivered during the last 12 months. In addition, the report identified future work priorities.

In respect of carbon emission reductions, clarification was sought on the street lighting figure and it was agreed that further information would be circulated to Members.

With regard to Markets, the Board discussed the annual surplus, arrears collection, signage and promotion of the Markets and street markets. It was agreed that a further update report would be brought back to the Board in six months.

RESOLVED: That

1. the report be noted; and
2. the progress being made on a wide range of land and property related initiatives and actions be welcomed.

Meeting ended at 8.40 p.m.

REPORT TO: Corporate Policy & Performance Board

DATE: 31st January 2017

REPORTING OFFICER: Strategic Director, Enterprise, Community and Resources

SUBJECT: Public Question Time

WARD(s): Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 To consider any questions submitted by the Public in accordance with Standing Order 34(9).
- 1.2 Details of any questions received will be circulated at the meeting.

2.0 RECOMMENDED: That any questions received be dealt with.

3.0 SUPPORTING INFORMATION

- 3.1 Standing Order 34(9) states that Public Questions shall be dealt with as follows:-
- (i) A total of 30 minutes will be allocated for dealing with questions from members of the public who are residents of the Borough, to ask questions at meetings of the Policy and Performance Boards.
 - (ii) Members of the public can ask questions on any matter relating to the agenda.
 - (iii) Members of the public can ask questions. Written notice of questions must be given by 4.00 pm on the working day prior to the date of the meeting to the Committee Services Manager. At any one meeting no person/organisation may submit more than one question.
 - (iv) One supplementary question (relating to the original question) may be asked by the questioner, which may or may not be answered at the meeting.
 - (v) The Chair or proper officer may reject a question if it:-
 - Is not about a matter for which the local authority has a responsibility or which affects the Borough;
 - Is defamatory, frivolous, offensive, abusive or racist;
 - Is substantially the same as a question which has been put at a meeting of the Council in the past six months; or

- Requires the disclosure of confidential or exempt information.
- (vi) In the interests of natural justice, public questions cannot relate to a planning or licensing application or to any matter which is not dealt with in the public part of a meeting.
- (vii) The Chairperson will ask for people to indicate that they wish to ask a question.
- (viii) **PLEASE NOTE** that the maximum amount of time each questioner will be allowed is 3 minutes.
- (ix) If you do not receive a response at the meeting, a Council Officer will ask for your name and address and make sure that you receive a written response.

Please bear in mind that public question time lasts for a maximum of 30 minutes. To help in making the most of this opportunity to speak:-

- Please keep your questions as concise as possible.
- Please do not repeat or make statements on earlier questions as this reduces the time available for other issues to be raised.
- Please note public question time is not intended for debate – issues raised will be responded to either at the meeting or in writing at a later date.

4.0 POLICY IMPLICATIONS

None.

5.0 OTHER IMPLICATIONS

None.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 6.1 **Children and Young People in Halton** - none.
- 6.2 **Employment, Learning and Skills in Halton** - none.
- 6.3 **A Healthy Halton** – none.
- 6.4 **A Safer Halton** – none.
- 6.5 **Halton's Urban Renewal** – none.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None.

**8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE
LOCAL GOVERNMENT ACT 1972**

8.1 There are no background papers under the meaning of the Act.

REPORT TO: Corporate Policy and Performance Board

DATE: 31st January 2017

REPORTING OFFICER: Chief Executive

SUBJECT: Executive Board Minutes

WARD(s): Boroughwide

1.0 PURPOSE OF REPORT

- 1.1 The Minutes relating to the Corporate Services Portfolio which have been considered by the Executive Board are attached at Appendix 1 for information.
- 1.2 The Minutes are submitted to inform the Policy and Performance Board of decisions taken in their area.

2.0 RECOMMENDATION: That the Minutes be noted.

3.0 POLICY IMPLICATIONS

- 3.1 None.

4.0 OTHER IMPLICATIONS

- 4.1 None.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children and Young People in Halton

None

5.2 Employment, Learning and Skills in Halton

None

5.3 A Healthy Halton

None

5.4 A Safer Halton

None

5.5 Halton's Urban Renewal

None

6.0 RISK ANALYSIS

6.1 None.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None.

**8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE
LOCAL GOVERNMENT ACT 1972**

8.1 There are no background papers under the meaning of the Act.

Extract of Executive Board Minutes relevant to the Corporate Policy and Policy and Performance Board**20th October 2016****RESOURCES PORTFOLIO****EXB50 DIRECTORATE PERFORMANCE OVERVIEW REPORTS
QUARTER 1**

The Board considered a report of the Strategic Director, Enterprise, Community and Resources, on progress against key objectives/milestones and performance targets for the first quarter 2016/17.

The Board was advised that the Directorate Performance Overview Report provided a strategic summary of key issues arising from performance in the relevant quarter for each Directorate, being aligned to Council priorities or functional areas. The Board noted that such information was key to the Council's performance management arrangements, with the Board having a key role in monitoring performance and strengthening accountability. Performance management would continue to be important in the demonstration of value for money and outward accountability.

RESOLVED: That the report and progress and performance information be noted.

**EXB51 POLICY CHANGES RELATING TO TAXI LICENSING
CONDITIONS**

The Board considered a report of the Strategic Director, Enterprise, Community and Resources, regarding policy changes in respect of Taxi Licensing Conditions.

The Board was advised that the policy changes recommended by the Regulatory Committee were the culmination of a consultation exercise via the Taxi Consultative Group. The Regulatory Committee at its meeting on 5 October 2016, had recommended the adoption of the policy changes which related to both hackney carriage and private hire conditions. It was noted that a number of the proposed policy changes were set out in Appendix B, attached to the Regulatory Committee report.

RESOLVED: That

- 1) the policy changes amending existing conditions relating to hackney carriage and private hire licensing as recommended by the Regulatory Committee at its meeting on 5 October 2016, be adopted as Council Policy;
- 2) the adoption shall take effect on 24 October 2016; and
- 3) to reflect the decision of the Council at its meeting held on 14 September 2016 (which related to the adoption and re-adoption of Part II Local Government (Miscellaneous Provisions) Act 1976), all existing policies of the Council relating to public and private hire (as amended by the changes made in resolution 1), shall be adopted and re-adopted on 24 October 2016.

Strategic Director
- Enterprise,
Community &
Resources

17th November 2017

RESOURCES PORTFOLIO

EXB56 ANNUAL EXTERNAL AUDIT LETTER 2015/16

The Board received a report of the Strategic Director, Enterprise, Community and Resources, which presented the Annual Audit Letter 2015/16.

The Board was advised that the Annual Audit Letter (the Letter) summarised the findings from the 2015/16 external audit completed by Grant Thornton, the Council's external auditors. The Letter included messages arising from the audit of the financial statements and the results of the work undertaken in assessing the Council's arrangements to secure value for money in the use of its resources.

Georgia Jones, Audit Manager for the external auditor, Grant Thornton UK LLP, attended the meeting and reported that an unqualified opinion had been issued on the Council's financial statements. The Letter also provided an unqualified conclusion that the Council had adequate arrangements to secure economy, efficiency and effectiveness in the use of its resources. It was noted that the planned audit for 2016/17 of the Highways Network Asset would be deferred for 12 months.

The Board wished to place on record their thanks to all Officers that had assisted in the preparation of the audit.

RESOLVED: That the Annual Audit Letter for 2015/16 be approved.

RESOURCES PORTFOLIO

EXB59 BOUNDARY REVIEW 2018 - INITIAL PROPOSALS FOR NEW PARLIAMENTARY CONSTITUENCY BOUNDARIES

The Board considered a report of the Strategic Director, Enterprise, Community and Resources, on the initial proposals for new Parliamentary Constituency Boundaries.

The report advised Members that the Boundary Commission for England was conducting a review of Parliamentary Constituency Boundaries, based on rules that required a reduction in the number of constituencies in the UK. It was reported that the rules stipulated that for the whole of the UK, there should be 600 Parliamentary constituencies, and that within England, there would be a reduction in number from the current 533 to 501. Each constituency must have an electorate range of between 71,031 and 78,507.

The report set out the timetable for the review, with consultations on the initial proposals as they relate to Halton, closing on 5 December 2016. A four week "secondary consultation" period was expected to take place in Spring 2017 when all responses that had been made would be published.

The document contained a link to the Boundary Commission website so as to obtain details of the initial proposals and the link to an interactive consultation website for views to be submitted in writing.

RESOLVED: That Members note the Boundary Review process.

EXB60 TREASURY MANAGEMENT HALF YEAR POSITION 2016-17

The Board considered a report of the Operational Director, Finance, which updated Members on the activities undertaken on the money market, as required by the Treasury Management Policy.

The report provided supporting information on the economic background, interest rate forecast, short term

Strategic Director
- Enterprise,
Community &
Resources

borrowing rates, longer term borrowing rates, borrowing/investments, budget monitoring, new long term borrowing, policy guidelines and treasury management indicators. It was noted that no debt rescheduling had been undertaken during the quarter.

RESOLVED: That the report be noted.

EXB61 2016/17 QUARTER 2 SPENDING

The Board considered a report of the Operational Director, Finance, which reported on the 2016/17 Quarter 2 Spending as at 30 September 2016.

A summary of spending against the revenue budget up to 30 September 2016 was attached to the report at Appendix 1. This provided individual statements for each department. The Board was advised that, in overall terms, revenue expenditure was £0.442m above the budget profile, although this profile was only a guide to expected spending. However, historically, as the spend in the first half year tended to be lower, accelerating towards year end, there was a significant risk that the Council may overspend its budget for the year.

The report contained details of the main budget pressure within the Children and Families Department, and in particular, out of Borough residential placements and fostering. It was reported that the cost of out of Borough residential placements continued to grow, with spend for the year to date up 19% compared to the same period last year.

The report also outlined details of a shortfall in income in the Community and Environment Department; spending on employees; staff turnover targets; expenditure on general supplies and services and the Council Tax collection rate for the first quarter for 2016/17. The Capital Spending Programme had been revised to reflect a number of changes in spending profiles as schemes developed and these were detailed in Appendix 3.

RESOLVED: That

- 1) all spending continues to be limited to the absolutely essential;
- 2) Strategic Directors take all reasonable steps to ensure overall spending is contained within their total operational budget by year-end; and
- 3) Council be recommended to approve the revised

Operational
Director - Finance

Capital Programme, as set out in Appendix 3, attached to the report.

EXB62 DETERMINATION OF COUNCIL TAX BASE 2017/18 - KEY DECISION

The Board considered a report of the Operational Director, Finance, on the requirement for the Council to determine the 'Tax Base' for its area and the Tax Base for each of the Parishes.

The Council was required to notify the figure for the Cheshire Fire Authority, the Cheshire Police and Crime Commissioner and the Environment Agency by 31 January 2017. In addition, the Council was required to calculate and advise the Parish Councils of their relevant Tax Bases.

The Board was advised that the Tax Base was the measure used for calculating the council tax and was used by both the billing authority (the Council) and the major precepting authorities (Cheshire Fire Authority and the Cheshire Police and Crime Commissioner), in the calculation of their council tax requirements. It was arrived at in accordance with a prescribed formula representing the estimated full year number of chargeable dwellings in the Borough expressed in terms of the equivalent Band "D" dwellings. Taking account of all the relevant information and applying a 97% collection rate, the calculation for 2017/18 gave a base figure of 33,818 for the Borough as a whole.

It was noted that since 2013/14 onwards, the tax base calculation included an element for the Council Tax Reduction Scheme (the replacement for Council Tax Benefit).

RESOLVED: That Council be recommended to approve

- 1) the Council Tax Base for 2017/18 be set at 33,818 for the Borough, and that the Cheshire Fire Authority, the Cheshire Police and Crime Commissioner and the Environment Agency be so notified; and
- 2) the Council Tax Base for each of the Parishes be as follows:

Parish	Tax Base
Hale	662

Operational
Director - Finance

Halebank	522
Daresbury	174
Moore	328
Preston Brook	332
Sandymoor	1,020

EXB63 MEDIUM TERM FINANCIAL STRATEGY 2017/20 - KEY DECISION

The Board considered a report of the Operational Director, Finance, on the Medium Term Financial Strategy (MTFS) for the period 2017/18 to 2019/20.

The Board was advised that the MTFS set out a three year projection of resources and spending based on information currently available.

The projections in the forecast showed there was a need to make a significant level of savings over the next three years. This was the effect of the projections of public spending through to 2020 which resulted from the 2015 Comprehensive Spending Review. The Strategy took account of:

- The Budget, announced in March 2016 and the Autumn Statement 2016 announced by the Chancellor of the Exchequer on 25 November 2015;
- The Comprehensive Spending Review 2015;
- Technical consultation on the future of New Homes Bonus dated December 2015; and
- The announcement on schools revenue funding for 2017/18.

The Strategy provided initial guidance to the Council on its financial position into the medium term. Revenue savings of approximately £11.7m, £11.7m and £9.2m would be required over the next three years. It was noted that as a result, £33m would need to be removed from the Council's budget which represented 21.6% of the gross expenditure budget.

The Board was advised that the MTFS had a number of objectives, as listed in the report. The Council would need to consider these objectives when balancing its budget over the next three years. The report also set out the Council's budget strategy, with budget savings proposals and areas identified for further savings. The report also contained details of the Council's Capital Strategy for the management

of assets such as land and buildings in Council ownership and occupation.

Reason(s) for Decision

To seek approval for the Council's Medium Term Financial Strategy for 2017/18 to 2019/20.

Alternative Options Considered and Rejected

The alternative option of not maintaining a Medium Term Financial Strategy had been considered. However, this would not follow good financial management practice, as the Medium Term Financial Strategy was a key element in informing the Council's financial planning and budget setting processes.

Implementation Date

The Medium Term Financial Strategy would be implemented from 1 April 2017.

RESOLVED: That

- 1) the Medium Term Financial Strategy be approved;
- 2) the 2017/18 base budget be prepared on the basis of the underlying assumptions set out in the Strategy;
- 3) the Budget Strategy and the Capital Strategy be approved;
- 4) the Reserves and Balances Strategy be approved;
- 5) the award of Council Tax Support for 2017/18 remains at the 2016/17 level of 21.55%; and
- 6) the Council's 2017/18 Council Tax Support Grant is not shared with the Parish Councils.

Operational
Director - Finance

EXB64 INITIAL BUDGET PROPOSALS 2017/18

The Board considered a report of the Operational Director, Finance, which presented revenue budget proposals for 2017/18.

The Board was advised that the Medium Term Financial Strategy forecast revenue budget funding gaps of nearly £33m over the next three years, assuming no increase in Council Tax. It was noted that budget savings proposals were being developed by the Budget Working Group.

Appendix 1 presented the first set of proposals totalling £7.9m proposals and it was proposed to implement these immediately in order to achieve a part-year saving in 2016/17. This would assist in keeping the Council's overall spending in line with budget. In addition, a number of the proposals would take time to implement and therefore commencing this process as soon as possible would assist with ensuring they were fully implemented from 1 April 2017.

It was reported that a second set of budget saving proposals currently under consideration by the Budget Working Group, would be recommended to Council on 8 March 2017, in order to deliver a balanced budget for 2017/18.

RESOLVED: That Council be recommended to approve the budget proposals for 2017/18 as set out in Appendix 1, attached to the report.

Operational
Director - Finance

15th December 2016

RESOURCES PORTFOLIO

EXB73 DIRECTORATE PERFORMANCE OVERVIEW REPORTS FOR QUARTER 2 2016/17

The Board considered a report of the Strategic Director, Enterprise, Community and Resources, on progress against key objectives/milestones and performance targets for the second quarter to 30 September 2016.

The Board was advised that the Directorate Performance Overview Report provided a strategic summary of key issues arising from performance in the relevant quarter for each Directorate. The Board noted that such information was key to the Council's performance management arrangements and the Executive Board had a key role in monitoring performance and strengthening accountability. Performance Management would continue to be important in the demonstration of value for money and outward accountability.

RESOLVED: That the report and progress and performance information be noted.

EXB74 SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

The Board considered:

- (1) whether Members of the press and public should be excluded from the meeting of the Board during consideration of the following item of business in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972 because it was likely that, in view of the nature of the business to be considered, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972; and
- (2) whether the disclosure of information was in the public interest, whether any relevant exemptions were applicable and whether, when applying the public interest test and exemptions, the public interest in maintaining the exemption outweighed that in disclosing the information.

RESOLVED: That as, in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, members of the press and public be excluded from the meeting during consideration of the following item of business in accordance with Sub-Section 4 of Section 100A of the Local Government Act 1972 because it was likely that, in view of the nature of the business, exempt information would be disclosed, being information defined in Section 100 (1) and paragraph 3 of Schedule 12A of the Local Government Act 1972.

RESOURCES PORTFOLIO

EXB75 PROPOSED DISPOSAL OF THE FREEHOLD INTEREST IN THE CROFT PUB, RUNCORN

The Board considered a report of the Strategic Director, Enterprise, Community and Resources, which sought approval for the proposed disposal of the Council's freehold interest of the site of the former Croft Public House, Runcorn.

The Board was advised that the former Croft Public House had been closed for around two years and that the site had been the subject of anti-social behaviour and was visually unattractive. It was reported that the agents had submitted a proposal to develop the site for residential use as assisted living units of accommodation.

The report set out details of the proposed transaction for Members' consideration.

RESOLVED: That

- 1) the disposal of the site to The Croft Halton Limited be approved, for the sum set out in the report, net, subject to contract and subject to planning permission in accordance with the Heads of Terms, attached to the report at Appendix 1; and
- 2) the Operational Director, Economy, Enterprise and Property, be authorised to arrange for all required documentation to be completed to the satisfaction of the Operational Director, Legal and Democratic Services.

Strategic Director
- Enterprise,
Community &
Resources

REPORT TO: Corporate Policy and Performance Board

DATE: 31st January 2017

REPORTING OFFICER: Strategic Director – Enterprise, Community & Resources

PORTFOLIO: Community and Sport

SUBJECT: Local Area Forums

WARD(S): Borough-wide

1. PURPOSE OF REPORT

- 1.1 To provide Members with details of the impact of recommendations contained within an Internal Audit report and subsequent follow-up audit review.
- 1.2 **RECOMMENDATION: That the Policy & Performance Board receive and comment upon the report.**

2. SUPPORTING INFORMATION

- 2.1 At their meeting of 6th September 2016, Members of the Board received a report on Local Area Forums project deliver for 2015/16. Arising from a discussion on the report Members asked that a further report be brought to the Board on the impact of Internal Audit recommendations with regard to Local Area Forums. This report seeks to provide the information requested by Members.

Internal Audit of Local Area Forums – 2015

- 2.2 In July 2015, an audit of Local Area Forums was conducted by the Council's Internal Audit Team. The audit was not undertaken as a result of any concerns around the Local Area Forums, but rather as part of the planned Internal Audit Programme for 2015/16. A report on Internal Audit's findings was produced in August 2015 which identified several areas of good practice. The report also contained a number of recommendations which led to some changes in practice to the way Area Forum grant funding applications were processed, approved and managed, and to the way in which goods and services for approved projects were procured. These changes came into effect in November 2015.

Audit Review of Local Area Forums – 2016

- 2.3 A follow-up Internal Audit review of Local Area Forums was carried out in October 2016. The purpose of the follow-up audit was to assess how effectively any issues identified in the original audit report had been addressed and to consider the impact of the changes that were made to the project approval and delivery processes following the Internal Audit recommendations in 2015.
- 2.4 Members had provided feedback on a number of the new arrangements introduced following the audit report. In particular, Members felt that some aspects of the new processes led to delays in projects being approved or delivered, and that, the required process for sourcing suppliers or service providers was restrictive and could lead to value for money not being achieved in some instances.
- 2.5 Members' comments were taken into consideration as part of the follow-up review which resulted in some further changes being made to processes. The changes sought to address Members' concerns whilst ensuring that efficient and robust systems remained in place for the delivery of approved projects.
- 2.6 The key change resulting from the follow-up audit relates to the procurement of goods and services. As per the recommendations contained within the original report where project-related expenditure exceeded £1,000, goods or services were required to be procured through corporate contracts or procurement processes. However, moving forward, the opportunity will exist for procurement options to be considered to ensure that best value is achieved. Three quotations will continue to be submitted to the Council with all funding application forms, however, where appropriate, the quotations will be compared to prices available via the Council's corporate contracts to determine the best procurement option. Where it can be demonstrated that greater value for money can be achieved by doing so, goods or services will be procured from suppliers other than those contained on the Council's approved list.
- 2.7 The follow-up audit reaffirmed the recommendation contained within the original audit report that all invoices should be paid directly by the Council. As well as preventing inappropriate use of funding, this will enable the Council to recover VAT on project expenditure. The only exception will be minor expenditure items where invoices would be difficult to obtain, for example; £100 awarded for food supplies for a community fun day.
- 2.8 Overall, the outcome of the audit and subsequent follow-up review identified a number of opportunities to strengthen controls and improve the efficiency of the project approvals and delivery process. Both exercises ensured that there remains a clear, transparent and robust approach to the use of Local Area Forum funding.
- 2.9 The revised processes ensure a prudent approach to the use of Area Forum grant funding and take account of Members desire to ensure

that supported projects can be delivered in the most cost-effective and appropriate way when taking into account the nature of the application, the level of funding, the service or initiative to be delivered or the goods to be procured.

- 2.10 In line with normal practise, the follow-up audit report will be presented to a future meeting of the Business Efficiency Board and details of the revised processes will be cascaded to Area Forum Lead Officers for implementation.

3. POLICY IMPLICATIONS

- 3.1 There are no policy implications associated with this report.

4. OTHER/FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications arising from this report.

5. IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children and Young People in Halton

Local Area Forum projects support the delivery of activities and provision of facilities for children and young people.

5.2 Employment, Learning and Skills in Halton

Many of the community initiatives delivered with the support of Local Area funding provide local people with access to learning and skills development opportunities as well as volunteering opportunities.

5.3 A Healthy Halton

Many of the community initiatives delivered with the support of Local Area funding have a positive impact on health and well-being.

5.4 A Safer Halton

Many of the community initiatives delivered with the support of Local Area funding have a positive impact upon the physical appearance of the borough and help provide increased security measures. These initiatives help improve residents' overall satisfaction with where they live and reduce their fear of crime; meaning that they are likely to feel a stronger sense of belonging and safety in their local community.

5.5 Halton's Urban Renewal

The projects delivered with the support of Local Area Forum funding will help make the borough a more attractive location for investment.

6. RISK ANALYSIS

- 7.1 The key risk in respect of this report is that financial due diligence could be negatively affected if the recommendations contained within the Internal Audit reports are not fully implemented.

7. EQUALITY AND DIVERSITY ISSUES

- 7.1 There are no equality or diversity issues as a result of this report as Local Area Forums grant support is open and accessible to all Members of Halton's community.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

- 9.1 There are no background papers within the meaning of the Act.

REPORT TO: Corporate Policy and Performance Board

DATE: 31 January 2017

REPORTING OFFICER: Strategic Director – Enterprise, Community and Resources

PORTFOLIO: Resources

SUBJECT: Council Tax Collection Costs

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 To propose a change to the treatment of costs relating to the attachment of benefits in relation to the collection of council tax arrears. This follows a report received by the Board on 6th September 2016.

2.0 RECOMMENDED: That Executive Board approve, where a first attachment of benefits has been paid in full, that the cost element for any subsequent attachments of benefit are written-off by the Council, as outlined in paragraph 3.5 below.

3.0 SUPPORTING INFORMATION

- 3.1 On 6th September 2016 the Board received a report (see appendix) which provided an update regarding the collection of council tax income, council tax arrears, recovery action and the impact of the localisation of council tax support.
- 3.2 The Board expressed concern at the significant increase in the level of council tax arrears following the localisation of council tax support, whereby approximately 6,300 households are now paying council tax for the first time, in addition to those who are partial benefit claimants.
- 3.3 This has led to a situation where a significant number of taxpayers with an attachment of benefits, are not able to clear their arrears by the end of the financial year, at which point they become liable for the following year's council tax. Hence their council tax arrears begin to escalate year-on-year.
- 3.4 Before a taxpayer can be given an attachment of benefits to recover the council tax which is owed, the Council must first obtain a liability order. This currently carries an additional cost for the taxpayer of £77 which then increases their council tax arrears
- 3.5 A liability order must be obtained in these circumstances. However, in order to assist with this situation and avoid increasing the arrears burden unnecessarily for taxpayers, it is proposed that once a first attachment of benefits has been paid in full, the cost element for any subsequent attachments of benefit are written-off by the Council.

4.0 POLICY AND OTHER IMPLICATIONS

4.1 None.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 There are no direct implications however, council tax is a major source of funding for the Council's revenue budget.

6.0 RISK ANALYSIS

6.1 None.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 None.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

8.1 There are no background papers under the meaning of the Act.

REPORT TO: Corporate Policy and Performance Board

DATE: 6 September 2016

REPORTING OFFICER: Strategic Director – Enterprise, Community and Resources

PORTFOLIO: Resources

SUBJECT: Council Tax Collection Update

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

- 1.1 To provide an update regarding the collection of council tax, as requested by the Board on 7 June 2016.

3.0 RECOMMENDED: That the latest position regarding the billing and collection of council tax, as set out in the report, be noted.

3.0 SUPPORTING INFORMATION

Background

- 3.6 Council tax income is one of the main sources of funding for the Council's services. For the 2016/17 financial year the opening balance of council tax due to be collected was £73m. This total includes the council tax liability where discounts or exemptions may subsequently be applied, the liability to be met from council tax support and the outstanding liability for arrears from previous years.
- 3.7 The scale of income involved means that any fluctuation in the collection rate can have a significant effect upon the Council's cashflow and the funding of its services.
- 3.8 In recent years there have been two significant legislative changes, which have directly impacted upon the collection rate and the level of arrears, as follows;
- (i) Changes which enabled the Council to vary the period and amount of discounts provided and charges made in respect of empty properties;
 - (ii) Abolition of council tax benefit and its replacement with a local council tax support scheme.

Collection of Council Tax

- 3.9 Council tax collection rates in Halton over the past ten years have been amongst the best in the North West, especially given the deprivation factors within the Borough.
- 3.10 As shown in Table 1 below, collection rates improved steadily up until 2012/13 when in-year collection exceeded 97%. But they subsequently reduced following the abolition of council tax benefit and its replacement with the local council tax support scheme.

Table 1 – Council Tax Collection Rates

Year	06/07 %	07/08 %	08/09 %	09/10 %	10/11 %	11/12 %	12/13 %	13/14 %	14/15 %	15/16 %
In-year collection	95.96	96.41	96.77	97.00	97.00	97.11	97.11	95.82	95.47	95.21
Total collected to date	99.18	99.26	99.14	99.21	99.21	99.12	99.00	98.34	97.60	95.78

Council Tax Arrears

- 3.11 Table 2 below shows the council tax arrears position for each of the past seven years. There had been a broadly consistent level of arrears, which had been the case ever since the abolition of the Poll Tax.
- 3.12 However, there has been a significant increase in arrears following the abolition of council tax benefit in 2012/13 and its replacement with the local council tax support scheme from 2013/14. Despite increased recovery activity, the arrears have still increased significantly each year and this trend is expected to continue.

Table 2 – Council Tax Arrears

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	£	£	£	£	£	£	£
Gross Arrears C/F	3,612,230	3,555,944	3,721,853	3,761,990	4,759,997	5,585,849	6,283,068
Increase/Decrease	111,766	-56,286	165,909	40,137	998,006	825,852	697,219
In-year Collection Rate	97.00%	97.00%	97.11%	97.11%	95.82%	95.47%	95.21%
Increase/Decrease on Previous Year	0.23%	0.00%	0.11%	0.00%	-1.29%	-0.35%	-0.26%
Assumed eventual Collection Rate	99.00%	99.00%	99.00%	99.00%	97.93%	96.50%	96.50%

Recovery Action

- 3.13 The collection of council tax is a key financial priority for the Council. After excluding discounts, exemptions and council tax support payments, a 1% reduction in the collection rate amounts to around £460,000 of lost income.
- 3.14 There are over 55,000 properties in the Borough, so it is essential that a systematic but equitable approach is taken to the collection of council tax debt. Failure to ensure maximum collection of council tax impacts upon the funding for all of the Council's services. However, it is acknowledged that debt problems are one of the major causes of family breakdown, although experience has shown there is a difference between people who are struggling to pay and those who won't pay. For many households payment of council tax is not considered a priority debt.
- 3.15 The Division's staff are trained to negotiate, within reason, with council taxpayers in order to find an agreeable basis for payment of their council tax liability. It is important for the taxpayer to make contact with the council tax section as soon as they begin to experience difficulties with paying their bill. Staff will attempt to find a fair arrangement with taxpayers to clear their debt and avoid the imposition of costs. However, many taxpayers in arrears only contact the council tax section after they have been issued with a liability order or the enforcement agents contact them, by which time costs will have been added to their arrears.
- 3.16 From the Council's point of view, court action or enforcement action is always the last resort and the preference is to find an agreeable solution before reaching these stages. The approach taken to recovery is considered fair and equitable and is similar to the approach taken by neighbouring councils. As far as possible assistance is given to taxpayers to help them meet their financial responsibilities in terms of their council tax liability.
- 3.17 Over 124,000 individual bills and reminders are currently sent out from the council tax section each year. When the first stage of recovery action was required for this financial year, around 48,500 (88%) households were up to date with their council tax payments. Of these almost 35,000 households pay by direct debit. Therefore a large proportion of the Borough's households require no form of recovery action.
- 3.18 The increase in council tax arrears has led to a significant increase in the amount of recovery action required to be taken. Table 3 below shows the increased activity in terms of reminders, summons etc. and highlights that in certain areas recovery action has almost doubled compared with previous years.

Table 3 – Recovery Action

	2011-12	2012-13	2013-14	2014-15	2015-16
First Reminder	18,275	18,387	29,672	28,645	27,248
Second Reminder	3,740	3,613	5,699	6,116	5,678
Final Notice	11,921	11,813	20,475	20,361	19,500

Summons	7,671	7,583	13,366	13,297	13,327
Liability Orders Granted	5,615	5,261	9,203	9,163	9,365
Pre-Bailiff / Enforcement Letters	6,188	6,409	9,848	9,086	10,547
Issued to Bailiff / Enforcement Agents	3,263	4,381	3,888	3,039	3,248
Attachment of Earnings	1,670	1,451	1,282	2,006	1,925
Attachment of Benefit	1,898	1,857	3,363	4,162	3,136
Arrangement Default Letters	3,226	3,111	3,536	4,882	7,546
Total	54,589	54,224	87,241	88,555	88,907

- 3.19 This increase in recovery action places significant extra demands upon the Council Tax Section, Halton Direct Link Shops and the Contact Centre, when households contact the Council regarding their arrears. The Council also provides support through the Welfare Rights Service and the Money Advice Team, but in many cases there is no alternative other than proceeding to court and obtaining an Attachment of Benefit or Attachment of Earnings.
- 3.20 Increased recovery action also means that residents are trying to contact the Council in a distressed state, concerning very difficult situations such as Court summons or Enforcement Agents letters, which has a consequential impact upon Council staff.

The Impact of Localisation of Council Tax Support

- 3.21 From April 2013 the Government abolished council tax benefit and instead localised support for council tax whereby the Council established its own Council Tax Support Scheme. As part of this transfer of responsibilities the Government grant funding for such support was reduced by 10%.
- 3.22 During the last year of council tax benefit the Council paid out in excess of £11m. The reduction in Government grant funding for the new localised scheme was in the region of £1.4m.
- 3.23 In order to address this shortfall in funding, the local scheme introduced in Halton was based upon the premise that everyone, excluding pensioners, would pay a minimum of 21.55% of their council tax liability. This brought approximately 6,300 households into paying council tax for the first time, in addition to those who are partial benefit claimants.
- 3.24 Since 2014/15 the grant funding for the Council Tax Support Scheme has been included within the Council's general Government grant funding, which in total has also been reduced each year by around 10%. The total cost of the Council Tax Support Scheme in 2016/17 will be approximately £9.2m and will relate to 13,500 households.

- 3.25 Table 4 below demonstrates the minimum council tax payment required for a band C property, whose council tax liability was fully met from council tax benefit prior to 2013/14.

Table 4 – Council Tax Support

	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £
Band C charge	1,204.06	1,227.10	1,247.88	1,271.73	1,319.17
Minimum payment	Nil	264.44	268.91	274.05	284.28

- 3.26 At the same time many of these households were also affected by other welfare benefit changes, such as the Under Occupancy Charge (Bedroom Tax), which would have seen additional cuts in their household income.
- 3.27 Council tax arrears have started to increase significantly since the abolition of council tax benefit. Although this situation was expected, there are an increasing number of households who are not clearing their in-year arrears before the following year's council tax liability is added to their account.
- 3.28 This can be illustrated by looking at an example for an individual taxpayer as shown in Table 5 below. This is an example of a taxpayer who has been billed the minimum 21.55% each year for a band C property. It highlights the on-going debt problem which some households in the Borough will have, as a result of the abolition of council tax benefit and the subsequent reduction in council tax support.
- 3.29 On the basis that a recovery plan is in place for this account, the outstanding debt will continue to rise, until such time as the taxpayer is able to increase their household income.

Table 5 – Attachment of Benefits Example

	2013/14 £	2014/15 £	2015/16 £	2016/17 £
Band C council tax charge	1,227.10	1,247.88	1,271.73	1,319.17
Minimum (21.55%) amount charged	264.44	268.91	274.05	284.28
Plus liability order costs	77.00	77.00	77.00	77.00
Total due to be paid	341.44	345.91	351.05	361.28
Attachment of benefits (AOB) monthly deduction	14.60	14.60	14.60	14.60
AOB expected to commence	August 2013	September 2015	October 2017	November 2019
AOB expected to terminate	August 2015	September 2017	October 2019	December 2021

- 3.30 Before a taxpayer can be given an attachment of benefits to recover the council tax which is owed, the Council must first obtain a liability order, which currently carries an additional cost for the taxpayer of £77.00.
- 3.31 Therefore, in the example above the taxpayer will not clear their 2013/14 arrears until August 2015 some 17 months after the year-end. They will then not clear their 2014/15 arrears until 2 years 5 months after year-end and similarly their 2016/17 arrears until 4 years 8 months after the relevant year-end.
- 3.32 As a liability order must be obtained in these circumstances, one option would be when the initial attachment has been paid in full, for the costs element for the second attachment to be written-off by the Council. This may help to avoid the current situation whereby some households may never be able to clear their council tax arrears, unless their circumstances and household income changes significantly.

Cash Collection

- 3.33 Whilst there has been a significant increase in the level of council tax arrears as outlined above, the total amount of cash collected by the Council since April 2013 has increased as shown in Table 6 below. This is due to an increased number of households being billed and having to meet the minimum 21.55% of their liability, plus the additional charges introduced for empty properties.

Table 6 – Council Tax Cash Collected

	2012/13 £	2013/14 £	2014/15 £	2015/16 £
Cash Collected	41,880,978	45,127,199	46,805,989	48,531,889
Increase on previous year	348,626	3,246,221	1,678,789	1,725,899

- 3.34 The on-going collection of council tax year-on-year, including that relating to previous year's arrears, has historically meant that the eventual collection rate in most years exceeds 99%. This is as opposed to the in-year collection rate. However, the impact of the council tax support scheme has meant that this will become more difficult as the level of arrears continues to increase. Table 7 below shows the latest position regarding the in-year collection rate and the eventual collection rate for each year.

Table 7 – Eventual Collection Rate

	06/07 %	07/08 %	08/09 %	09/10 %	10/11 %	11/12 %	12/13 %	13/14 %	14/15 %	15/16 %
In-year collection rate	95.96	96.41	96.77	97.00	97.00	97.11	97.11	95.82	95.47	95.21
Eventual collection rate (to date)	99.18	99.26	99.14	99.21	99.21	99.12	99.00	98.34	97.60	95.78

Conclusions

- 3.35 Council tax is one of the Council's main sources of funding for delivery of its services.
- 3.36 The localisation of council tax support has had a significant impact upon the collection of council tax, the number of households falling into arrears, and the amount of recovery action having to be taken as a result.
- 3.37 A significant number of households, where attachment of earnings or attachment of benefits have been applied, will not be able to clear their arrears in-year unless there is a significant change in their circumstances and household income.
- 3.38 The Council takes all possible steps to assist taxpayers in meeting their council tax liability and recovery action is fair and equitable. The use of court action or enforcement agents is always the last resort and the preference is to find an agreeable solution with taxpayers before reaching these stages.
- 3.39 An increased amount of cash is now being collected because a greater number of households are liable to pay all or part of their council tax and additional charges are also being levied for empty properties.
- 3.40 Many households are suffering from other reductions in welfare benefits at the same time as having council tax arrears.
- 3.41 There is increased pressure for staff within the Council Tax Section, Halton Direct Link and the Contact Centre, as a result of the increased amount of billing and recovery activity having to now be undertaken.

4.0 POLICY AND OTHER IMPLICATIONS

- 4.1 None.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 5.1 There are no direct implications, however, council tax is a major source of funding for the Council's revenue budget.

6.0 RISK ANALYSIS

- 6.1 None.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 None.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

- 8.2 There are no background papers under the meaning of the Act.

REPORT TO:	Corporate Policy and Performance Board
DATE:	31 January 2017
REPORTING OFFICER:	Strategic Director (Community and Resources)
PORTFOLIO:	Resources
SUBJECT:	Business Planning 2017 – 18
WARDS:	Boroughwide

1.0 PURPOSE OF THE REPORT

- 1.1 To provide an opportunity for the Board to contribute to the development of the Business Plan for the 2017 – 18 financial year.

2.0 RECOMMENDATION: That the Board receive and consider the information which will be provided and add any further comment / observation that it considers relevant to plan development.

3.0 SUPPORTING INFORMATION

- 3.1 The Council develops its business plan in parallel with the determination of its annual budget and the review and refresh of Corporate and Directorate Risk Registers. This process has now commenced for 2017 – 18.
- 3.2 At this stage Members are invited to consider a small number of priorities for development that they would like to see reflected in the Business Plan prior to its consideration by Executive Board.
- 3.3 Whilst providing an overall operating context the Business Plan will provide details of specific objectives and performance measures which would provide a focus for the ongoing monitoring of progress throughout the year.
- 3.4 It is important the Members have the opportunity to contribute to the process of plan development in order that their knowledge of local and organisational issues forms an integral element of plan development.
- 3.5 As Plans can only be finalised once final budget decisions have been confirmed in March 2017 annual targets can only be properly determined once this information, along with year-end outturn figures for 2016 – 17 become known.
- 3.6 To assist the Board the Strategic Director (Community and Resources) will give a short presentation on the issues and challenges for those areas that fall within the remit of this Board over the period of the next

plan. Additional information will be circulated in advance of the meeting of the Board on 31 January 2017.

4.0 POLICY IMPLICATIONS

- 4.1 Business planning forms a key element of the Council's policy framework and as such its development will take account of known and anticipated changes within the operating environment.

5.0 OTHER IMPLICATIONS

Plans will continue to form the basis upon which progress will be monitored and reported to Policy and Performance Boards throughout the course of the coming financial year. Such reports will routinely contain information concerning key developments and emerging issues as well as the delivery of predetermined actions and targets.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

The business planning process is one means by which the Council aligns its operational activity with its overall strategic aims and those priorities detailed below.

6.1 Children and Young People in Halton

6.2 Employment, Learning and Skills in Halton

6.3 A Healthy Halton

6.4 A Safer Halton

6.5 Halton's Urban Renewal

7.0 RISK ANALYSIS

- 7.1 The development of the Business Plan will allow the authority to both align its activities to the delivery of organisational and partnership priorities and provide information to stakeholders concerning work that is planned for 2016 – 17.

- 7.2 As the planning process aligned to the annual review and refresh of organisational and Directorate risks this ensures that these are fully considered when determining future direction and actions.

8.0 EQUALITY AND DIVERSITY ISSUES

There are no equality and diversity issues directly related to this report. However such matters will continue to be monitored and reported annually to the Board through the existing performance monitoring framework.

**9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE
LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.

REPORT TO: Corporate Policy and Performance Board

DATE: 31st January 2017

REPORTING OFFICER: Strategic Director Enterprise, Community and Resources

SUBJECT: Performance Management Reports for Quarter 2 of 2016/17

WARDS: Boroughwide

1.0 PURPOSE OF REPORT

- 1.1 To consider, and to raise any questions or points of clarification, in respect of performance management for the second quarter period to 30th September 2016.
- 1.2 Key priorities for development or improvement in 2016-17 were agreed by Members and included in Directorate Plans, for the various functional areas reporting to the Board as detailed below:
- Finance
 - Human Resources & Organisational Development
 - ICT and Administrative Support
 - Legal and Democracy
 - Policy & Performance
 - Property Services
 - Catering, Stadium and Registration Services

The report details progress made against objectives and milestones and performance targets and provides information relating to key developments and emerging issues that have arisen during the period.

2.0 RECOMMENDED: That the Policy and Performance Board

- 1) Receive the second quarter performance management report;**
- 2) Consider the progress and performance information and raise any questions or points for clarification; and**
- 3) Highlight any areas of interest and/or concern where further information is to be reported at a future meeting of the Board.**

3.0 SUPPORTING INFORMATION

- 3.1 Departmental objectives provide a clear statement on what services are planning to achieve and to show how they contribute to the Council's strategic priorities. Such information is central to the Council's performance management arrangements and the Policy and

Performance Board has a key role in monitoring performance and strengthening accountability.

4.0 POLICY IMPLICATIONS

4.1 There are no policy implications associated with this report.

5.0 OTHER IMPLICATIONS

5.1 There are no other implications associated with this report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Departmental service objectives and performance measures, both local and national are linked to the delivery of the Council's priorities. The introduction of a Thematic Priority Based Report and the identification of business critical objectives/ milestones and performance indicators will further support organisational improvement.

6.2 Although some objectives link specifically to one priority area, the nature of the cross - cutting activities being reported, means that to a greater or lesser extent a contribution is made to one or more of the Council priorities.

7.0 RISK ANALYSIS

7.1 Not applicable.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 Not applicable.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTIONS 100D OF THE LOCAL GOVERNMENT ACT 1972

Not applicable

Corporate Policy and Performance Board– Priority Based Monitoring

Reporting Period: **Quarter 2 – 1st July 2016 – 30th September 2016**

1.0 Introduction

- 1.1 This report provides an overview of issues and progress against key service objectives/milestones and performance targets, during the second quarter of 2016/17 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
 - Policy, People, Performance and Efficiency
 - ICT and Support Services
 - 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 period which include:-

Finance

- a) The audit of the 2015/16 year end accounts has been completed by the Council's External Auditor (Grant Thornton). They provided an unqualified audit opinion and reported their findings to the Business Efficiency Board on 28th September 2016, at which the Council's Statement of Accounts was approved for publication. The Audit Findings Report stated no significant issues were identified from the audit and it highlighted the Council's financial statements were well presented with officers responding in a timely manner to requests for information and queries. The report also included an unqualified Value for Money (VFM) conclusion that the Council has proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.
- b) The Council net spend position for the first quarter of the year was reported to Executive Board on 15th September 2016. Net expenditure was £0.2m above the profiled budget to date figure of £17.488m. Capital spending as at 30th June 2016 totalled £13.538m, which is 99% of planned spending for the first quarter.
- c) The Council is embarking upon a fraud awareness campaign in the run up to 'International Fraud Awareness Week', which takes place annually in November. The objective of the campaign is to minimise the impact of fraud by promoting anti-fraud awareness and education and it will feature the use of press releases, posters and social media.

- d) The Council is currently in the process of submitting a range of datasets to the National Fraud Initiative (NFI) which is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud. The exercise is overseen by the Cabinet Office and the Council has received assurances that secure arrangements are in place to ensure the storage and handling of the data submitted.
- e) Once the data-matching process is completed, NFI provides a list of data matches that may indicate potential fraud to each participating organisation. These matches are then investigated and the results of the exercise will be reported to the Business Efficiency Board.
- f) The Council has been involved in a joint procurement exercise across the Liverpool City Region for a prepaid card provider. A contract has now been awarded and an implementation plan is being developed for the use of prepaid cards, initially for Direct Payment users, with the potential to roll out the use of prepaid cards to other areas of Council business.
- g) Additionally payment kiosks within one stop shops will be upgraded during quarter 3 to provide enhanced functionality, including contactless payments, whilst reducing ongoing support and maintenance costs.
- h) Following on from last quarter and the significant increase in calls to the Contact Centre an online dedicated missed bin reporting application has been developed. This provides customers with more information and allows the Contact Centre to report issues more quickly to Waste Management. As a result we have reduced the number of calls and provided Waste Management with information to enable missed bins to be dealt with more promptly.
- i) The development of more formal arrangements to procure more collaboratively with regional partners is currently underway and Halton is leading this work stream and is steering the coordination of a planned approach. In addition Social Value is being driven into all procurement opportunities where appropriate and work is underway to develop a suitable measurement mechanism to capture the added value in cashable terms.

Policy, People, Performance and Efficiency

- j) Work on the development of a Corporate Apprenticeship Policy is nearing completion which will provide a framework for the Council to meet its obligations following the introduction of the Apprenticeship Target and Levy in April 2017. Now that the legislative aspects of the scheme have been finalised work is underway within regional networks to ensure that the impact of collective resources can be maximised.
- k) Contractual documentation and processes have now been developed to facilitate employment under the externally funded Intermediate Labour Market Scheme. The first appointment to a 6 month placement is now in progress and it is anticipated others will follow.
- l) A review of sickness absence continues to progress with consultation with managers, Trade Unions, the Councils Occupational Health provider and practitioners from other authorities having been undertaken and key absence data now being analysed. It is anticipated that a report will be presented to Management Team during Quarter 3.
- m) The recommendations resulting from a root and branch review of the Council's recruitment practices are now being taken forward. This work has been complemented by a similar view of the Council's existing pay processes in order to determine and exploit opportunities to streamline the service relating to pay variation and other non-standard pay elements. It is intended that new practices and procedures will be adopted from April 2017 resulting in the delivery of a more efficient and sustainable service.

ICT and Support Services

- n) The schools Information Management System is now being procured. This follows the expiry of the existing external contract and the new service will be managed in-house and will be funded by the schools programme.
- o) The Council's Life Line support system has also been replaced and upgraded and will go live by the end of quarter 2. In addition the provision of a financial services application to Mersey Travel continues to progress with configuration and requirements now being determined.
- p) The hardware Wi Fi solution for market tenants is now operational with additional work being planned to allow filtered public access which will be linked to Leisure Card or Library Card ownership to ensure age related restrictions can be effectively managed.

Legal and Democratic Services

- q) Following the marketing of Fostering being brought back in-house a regional-wide You Can Foster campaign was launched at the end of Quarter 2 to advertise the need for an additional 700 fostering households. This campaign proved to be extremely successful with Halton having the second highest number of enquiries within the region.
- r) Following a detailed review of existing Licensing policies a number of changes are being proposed to ensure that they remain fit for purpose and reports will be prepared and presented to Regulatory Committee, Executive Board and Council during quarter 3.

Economy, Enterprise and Property (Property Services)

- s) It has now been confirmed that approximately 90 staff working for HM Courts and Tribunal service will be relocated to Rutland House with occupation being anticipated in January 2017. This development will support the delivery of the Council's accommodation and income generation strategy. Work to upgrade accommodation at Grangeway Court has also led to the creation of a development site and potential for capital receipt through future disposal.
- t) Works have now been completed to Norton Priory Museum which opened to the public in August and the demolition of the former Police Station and Magistrates Court on Kingsway has been completed with the site now ready for redevelopment.

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 Council including:-

Finance

1. The Councils 2017/18 revenue budget and three year Capital Programme is currently being prepared and the Budget Working Group will shortly consider 2017 – 18 savings proposals. Work is also underway to revise the Medium Term Financial Strategy in light of emerging information and it is expected that it will be reported to Executive Board in quarter 3.
2. Formal agreement has been obtained by the Liverpool City Region Combined Authority to establish a transitional Key Route Network (KRN) for strategically significant roads across the LCR. It is proposed that an agreement between the Combined Authority and each of the six local highway authorities that would allow them to carry out works and services on the KRN and manage their individual risks and liabilities within existing practices and procedures.

3. Highways-related claims make up the bulk of insurance claims received against the Council. Discussions will therefore take place with the Council's insurer and insurance broker to consider the proposed changes and any resulting implications for the Council's insurance cover and claims handling arrangements.
4. From 1st April 2017 business properties will be subject to new rateable valuations and the draft Valuation List was published on 30th September 2016. Leaflets will be issued to businesses during October inviting them to check their new rateable value via the Valuation Office Agency website. From next April Halton, along with the other Liverpool City Region Authorities, will be piloting the 100% Business Rates Retention Scheme.

Policy, People, Performance and Efficiency

5. Confirmation of anticipated legislative changes, namely new regulations resulting from the Trade Union Bill, Public Sector Exit Payment Cap and Public Sector Exit Payment Recovery regulations are still awaited. Any necessary changes to the Council's Staffing Protocol will be made once the implications are fully known.
6. It is becoming apparent that several service areas (Highway's and Adult Social Care in particular) are having difficulty recruiting to roles within their structures. This is largely because the local labour market does not contain a sufficient pool of candidates and anecdotal evidence from the Local Government Press (MJ and LGC) indicates that Local Government is becoming a less attractive sector in which to work. To mitigate this, the service is working towards new and innovative ways of advertising roles, 'e-nabling' the job application process, and using social media as a medium through which to promote opportunities. It is anticipated that not only will these practices broaden our reach, but will also bring process efficiency and cost saving.

ICT and Support Services

7. Significant developments have been made in reconfiguring the Council's ICT infrastructure which will support the growth of the more cost effective and sustainable Halton Cloud Services Solution. Such changes inevitably present technical challenges as operating systems are upgraded with many of the issues being encountered not being documented by manufacturers of software vendors and staff are continually developing solutions to minimise disruption and down-time.
8. It was anticipated that the NHS N3 Connection, which will provide greater connectivity between the Council, the NHS and the CCG, and other partner agencies, would have become live during Quarter 2. Unfortunately this connection has been delayed as a result of NHS compliance issues and the ICT Security Team is now discussing these requirements in order to complete the connection as soon as possible.

Economy, Enterprise and Property (Property Services)

9. Following on from Management Team's approval of the report in respect of a review of Property Assets across the Council work has now commenced on a strategy for vacating Kingsway House when the lease expires in 2019. A detailed report will be presented to Asset Management Working Group in October in respect of this outlining the proposals inclusive of the likely timescales.

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 2016 – 17 Business Plan.

Progress concerning the implementation of all high-risk mitigation measures is enclosed as Appendix 1.

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 is published on the Council website and is available via:






<http://www4.halton.gov.uk/Pages/councildemocracy/Equality-and-Diversity.aspx>

6.0 Performance Overview

The following information provides a synopsis of progress for both milestones and performance indicators across the key business areas that have been identified by the Directorate.

Financial Management









Key Objectives / milestones





Ref	Milestones	Q2 Progress
FS 01a	Report Medium Term Financial Strategy to Executive Board - November 2016.	
FS 01b	Report to Council - March 2017.	
FS 02c	Provide quarterly monitoring reports on the overall budget to Executive Board.	
FS 03b	Publish the Statement of Accounts by 30th September 2016.	
FS 04a	Establish Treasury Management Policy and report to Council - March 2016.	
FS 05a	Establish and report prudential indicators to Council - March 2016.	

Supporting Commentary

All milestones are progressing as planned and the 2016-17 Statement of Accounts was certified as planned and this has been shared with the Councils external Auditor and the Audit of the Statement of Accounts has commenced.

Key Performance Indicators

Ref	Measure	15 / 16 Actual	16 / 17 Target	Q2 Actual	Q2 Progress	Direction of travel
FS LI 01	Receive an unqualified external audit opinion on the accounts.	Yes	Yes	Yes		
FS LI 02	Receive positive comment (annually) from the External Auditor relating to the financial standing of the Council and the systems of internal financial control.	Yes	Yes	Yes		
FS LI 03	Receive confirmation from External Auditor (annually) that reliance can be placed upon the work of Internal Audit.	Yes	Yes	Yes		
FS LI 04	Proportion of Council Tax that was due that was collected.	95.21%	94.75%+	55.79		




Ref	Measure	15 / 16 Actual	16 / 17 Target	Q2 Actual	Q2 Progress	Direction of travel
FS LI 05	The percentage of Business Rates which should have been received during the year that were received.	96.89%	95.00%+	55.98%		
FS LI 06	Average time for processing new claims for Housing & Council Tax Benefit (Calendar days).	18.08 (Days)	20 (Days)	18.36 (Days)		

Supporting Commentary

The collection of Council Tax continues to be adversely affected by national reforms and a number of short-term occupations have impacted upon the collection of Business Rates although both remain above local collection rates. Although the processing of Benefit applications remains one of the best performances within both the Merseyside and Greater Manchester regions.

Policy, People, Performance & Efficiency Service

Key Objectives / milestones

Ref	Milestones	Q2 Progress
PPE 01a	Promote and take forward the delivery of actions identified within the Organisational Development Strategy March 2017	
PPE 02b	Review and refresh annual training calendar March 2017 .	
PPE 03a	Report to the Business Efficiency Board on the on-going delivery of the Council's Efficiency Programme (June and November 2016 meetings).	















Supporting Commentary

Appropriate support provided to service in restructuring scenarios as required. Resources in place to provide support through 2016/17 from Employment Relations Team / Efficiency Programme Office

Programmed Learning and Development interventions scheduled, and capacity developed for tailored courses where required.

Due to the programming of work in the Efficiency programme, and the implementation of new processes around the management of Agency Workers, a report was not made to Business Efficiency Board in June. Next scheduled report is November 2016.

Key Performance Indicators

Ref	Measure	15 / 16 Actual	16 / 17 Target	Q2 Actual	Q2 Progress	Direction of travel
PPPE LI 01	The number of working days / shifts lost due to sickness (Corporate)	9.05 days	10 days	4.47 days		
PPPE LI 02a	Total Full Time Equivalent Staffing Establishment	3,670	N / A	3650	N / A	N / A
PPPE LI 02b	Total Staff (head count)	4,876	N / A	4843	N / A	N / A
PPPE LI 03	% of training delegates attending as proportion of places reserved	86.00%	90.00%	93%		
PPPE LI 04	The percentage of top 5% of earners that are ¹					
	▪ women	54.78%	50.00%	52.25%		
	▪ from BME communities.	2.06%	1.50%	2.08%		
	▪ with a disability	0.82%	8.00%	0.82%		
PPPE LI 05	No of staff declaring that they meet the definition of disability within the Equality Act 2010 as a % of the total workforce.	1.28%	10.00%	1.32%		
PPPE LI 06	Minority Ethnic community staff as % of total workforce.	1.00%	1.00%	1.24%		

Supporting Commentary

Sickness absence is slightly higher than the same time last year (4.23), however review of policy, process and procedure related to absence management underway to try and achieve reductions (see Key Developments)

Attendance of training delegates remains positive with a marked increase on the last quarter. Although this indicator can fluctuate, this represents a good return on investment

Positive movement on two of the three component indicators, however recruitment in to 5% of earners is very limited, and as such scope for significant change is low.

¹ Performance targets for these measures take account of local demographic profiles

ICT and Administrative Support Services

Key Objectives / milestones

Ref	Milestones	Q2 Progress
ICT 01a	Continued Enhancement of the virtualization platform to enhanced or new technologies - March 2017 .	
ICT 01b	Further development of Cloud Services Platform - March 2017 .	
ICT 01c	SharePoint and Records Management enhancements - March 2017 .	
ICT 01e	Further development of commercial ICT opportunity within desktop, hosting and DR provision - March 2017 .	
ICT 02a	Continuing improvements, enhancements and potential commercial use of Cloud system - March 2017 .	

Supporting Commentary





The virtualisation project is now at a crucial stage with the key elements of this major development now in place and currently being tested. The corporate aspect of the project is expected to last approximately 4 months, but will realise considerable benefit to the authority over the coming years. In line with the new desktop development programme (EUC).

The cloud services platform which is currently under development will enhance remote access and enable greater levels of security and device usage, in line with the new desktop deployment programme (EUC).

As noted, the current EUC cloud development will realise considerable benefits within the desktop environment with the corporate wide deployment of VDi a remote desktop facility that will be made available to all.

Sefton MBC currently use the HBC cloud facilities successfully together with a number of other clients such as North West Employers, Leisure and Schools, new clients such as Mersey Travel will now use this facility.

Key Performance Indicators

]Ref	Measure	15 / 16 Actual	16 / 17 Target	Q2 Actual	Q2 Progress	Direction of travel
ICT LI 01	Average availability of the Council's operational servers (%).	99.00	99.00	99.00%		
ICT LI 02	Average availability of the Councils WAN infrastructure (%).	99.00	99.00	99.00%		

Ref	Measure	15 / 16 Actual	16 / 17 Target	Q2 Actual	Q2 Progress	Direction of travel
ICT LI 03	School Support SLA: % of calls responded to within <u>agreed</u> target*: <ul style="list-style-type: none"> Priority 1 Priority 2 Priority 3 Priority 4 	100%	85%	27.27%		
		100%	90%	35.92%		
		100%	95%	58.59%		
		100%	100%	91.22%		
ICT LI 04	Average working days from delivery to completion of a new PC.	8	10	8		

Supporting Commentary

Progress against the majority of measures has been maintained within targeted levels.

Staffing matters linked to long term sickness are impacting upon the delivery of school support services and a review of current structures has been planned to address this issue.

Legal & Democracy







Key Objectives / milestones

Ref	Milestones	Q2 Progress
LD 01	Review constitution - May 2016.	
LD 02b	To induct all new members by October 2016.	

Supporting Commentary

Constitution was reviewed as planned and all new members are being inducted.



Key Performance Indicators

Ref	Measure	15 / 16 Actual	16 / 17 Target	Q2 Actual	Q2 Progress	Direction of travel
LD LI 03	Average Time taken to issue prosecutions from receipt of full instructions (working days).	10	10	7		
LD LI 04	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		
LD LI 07	% of Executive Board, Executive Board Sub-Committee and Mersey Gateway Executive Board minutes published within 5 working days after the meeting.	100%	100%	100.00 %		

Supporting Commentary

Performance at this point in the financial year remains at expected levels

Community & Environment**Key Objectives / milestones**







Ref	Milestones	Q2 Progress
CE 02	Identify areas for improvement in line with the Business Plan and Marketing Plan (this will drive the development of milestones for 2017/18) - January 2017 .	
CE 03	Deliver a promotion and educational campaign (school meals) - September 2016 and January 2017 .	

Supporting Commentary

The user numbers of both commercial and community groups continues to increase, the recently announced Elton John pop concert for June 2017 will only add to the Stadium's regional and National profile.

A new Primary School menu will be issued to all primary school children, users and non-users, the School Meals Management will be attending a number of school information/open days/nights to promote the service, a special effort is aimed at those children presently entitled to a free lunch who are not taking up their entitlement.






Key Performance Indicators

Ref	Measure	15 / 16 Actual	16 / 17 Target	Q2 Actual	Q2 Progress	Direction of travel
CE LI 01	No. of meals served versus hourly input of labour.	11.39	10.00	10.92		
CE LI 02	Diversity – number of community groups accessing stadium facilities.	28	15	22		
CE LI 03	Number of catering staff achieving a formal qualification.	60	30	30		

Supporting Commentary

The school meals productivity rate continues to be in the top quartile for this service area and a number of staff having enrolled to complete their qualifications in the new academic year, this number will far exceed the target and a celebration event has been scheduled for October.

Economy, Enterprise & Property**Key Objectives / milestones**

Ref	Milestones	Q2 Progress
EEP 01a	Commence development of Beyer Site by - March 2017 .	
EEP 01b	Complete Asset Review by – June 2016 .	
EEP 01c	Complete Widnes Market Hall refurbishment by - March 2017 .	
EEP 01d	Complete Phase 1 of Fairfield Primary by - March 2017 .	
EEP 01e	Start Term Contracts by – June 2016 .	





Supporting Commentary

An asset review has been completed. The review outlined levels of occupancy and use in Council buildings. The review is informing the Council's agile working policy.

Works on the Market Hall refurbishment have been delayed due to no tenders being returned for roofing work. To be re-tendered for a start in early 2017

Phase 1 of Fairfield Primary was completed in September 2016 and all term contracts were renewed as planned.

Key Performance Indicators

Ref	Measure	15 / 16 Actual	16 / 17 Target	Q2 Actual	Q2 Progress	Direction of travel
EEP LI 02	Occupancy of HBC industrial Units	94.00%	90.00%	89%		
EEP LI 03	Occupancy of Widnes Market Hall	85.00%	95.00%	79%		

Supporting Commentary

The occupancy of all of industrial units is 89%:

- Oldgate – 100% -18 units
- Marshgate – 71% - 7 units (5 occupied, however, soon to be 6 units)
- Court – 86% - 21 units (18 occupied)

The retail market continues to struggle during an economic recession and in the face of competition from online retail. The number of stall applications received this year has declined slightly. During the period 1st January 2016 to 30th September 2016 27 applications have been received, down from 28 during the corresponding time period in 2015. In 2014 43 applications were received during the same time period.

7.0 Financial Statements
Finance Department
Revenue Budget As At 30 September 2016

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance to Date (Overspend) £'000
<u>Expenditure</u>				
Employees	6,664	3,394	3,326	68
Supplies & Services	356	230	219	11
Other Premises	69	53	53	0
Insurances	1,456	831	831	0
Concessionary Travel	2,120	1,060	1,090	(30)
Rent Allowances	53,100	25,976	25,976	0
Non HRA Rebates	77	31	31	0
Discretionary Housing Payments	387	266	266	0
Local Welfare Payments	150	67	67	0
Total Expenditure	64,379	31,908	31,859	49
<u>Income</u>				
Fees & Charges	-332	-98	-89	(9)
SLA to Schools	-818	-818	-802	(16)
NNDR Administration Grant	-166	0	0	0
Hsg Ben Administration Grant	-642	-321	-321	0
Council Tax Admin Grant	-232	-232	-233	1
Rent Allowances	-52,700	-23,855	-23,855	0
Clerical Error Recoveries	-398	0	0	0
Non HRA Rent Rebates	-77	-26	-26	0
Discretionary Housing Payments Grant	-387	-130	-130	0
Reimbursements & Other Grants	-362	-236	-261	25
Liability Orders	-421	-357	-357	0
Transfer from Reserves	-410	0	0	0
Total Income	-56,945	-26,073	-26,074	1
Net Operational Expenditure	7,434	5,835	5,785	50
<u>Recharges</u>				
Premises	340	170	170	0
Transport	8	4	4	0
Central Support Services	2,511	1,255	1,255	0
Support Services Income	-6,189	-3,084	-3,084	0
Net Total Recharges	-3,330	-1,655	-1,655	0
Net Department Expenditure	4,104	4,180	4,130	50

Comments on the above figures

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

With regards to expenditure, employee costs are below the budget profile due to vacant posts that exist within Procurement, Revenue & Benefits and HDL. The vacancies will act as contributions towards the Department meeting the 2016/17 staff turnover savings target.

Concessionary Travel expenditure is currently above the budget profile and this trend is expected to continue to the end of the financial year, which is due to an increase in the rates at which the bus operators are reimbursed for concessionary travel journeys to ensure that they are no better, no worse, off under the statutory scheme.

With regards to income, Schools SLA income is below the budget profile due to a lower than expected buy-back of the Procurement service.

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 & Efficiency Department**Revenue Budget As At 30 September 2016**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance to Date (Overspend) £'000
<u>Expenditure</u>				
Employees	1,717	846	841	5
Employee Training	133	40	40	0
Supplies & Services	122	54	61	(7)
Total Expenditure	1,972	940	942	(2)
<u>Income</u>				
Fees & Charges	-110	-110	-114	4
Reimbursements & Other Grants	-10	-7	-7	0
School SLA's	-386	-386	-386	0
Transfers from Reserves	-98	0	0	0
Total Income	-604	-503	-507	4
Net Operational Expenditure	1,368	437	435	2
<u>Recharges</u>				
Premises Support	67	34	34	0
Central Support Recharges	265	132	132	0
Support Recharges Income	-1,700	-850	-850	0
Net Total Recharges	-1,368	-684	-684	0
Net Department Expenditure	0	-247	-249	2

Comments on the above figures

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

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

ICT & Support Service Department**Revenue Budget As At 30 September 2016**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (Overspend) £'000
<u>Expenditure</u>				
Employees	5,440	2,721	2,535	186
Supplies & Services	773	413	343	70
Computer Repairs & Software	615	301	292	9
Communications Costs	385	193	192	1
Other Premises	32	11	9	2
Other Transport	6	3	4	(1)
Capital Financing	376	205	200	5
Transfers To Reserves	29	0	0	0
Total Expenditure	7,656	3,847	3,575	272
<u>Income</u>				
Fees & Charges	-848	-250	-257	7
Reimbursements & Other Grants	0	0	-7	7
Sla To Schools	-534	-514	-512	(2)
Total Income	-1,382	-764	-776	12
Net Operational Expenditure	6,274	3,083	2,799	284
<u>Recharges</u>				
Premises	353	177	177	0
Transport	8	4	4	0
Central Support Services	626	313	313	0
Support Service Income	-7,259	-3,630	-3,630	0
Net Total Recharges	-6,272	-3,136	-3,136	0
Net Department Expenditure	2	-53	-337	284

Comments on the above figures

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

With regards to expenditure employee costs are below the budget profile due to staff turnover and vacancies that exist within the Admin Division which are currently in the process of being filled.

Expenditure on supplies & services is also below the budget profile due to a reduction in spend on external print which has been achieved through better utilisation of the Print Unit and tighter budget controls being put in place.

At this stage it is anticipated that overall net Departmental spending will be within budget at the end of the financial year.

ICT & Support Service Department**Capital Projects As At 30 September 2016**

Capital Expenditure	2016/17 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
IT Rolling Programme	1,100	780	780	320
Total Capital Expenditure	1,100	780	780	320

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 30 September 2016**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance to Date (Overspend) £'000
<u>Expenditure</u>				
Employees	1,787	948	964	(16)
Supplies & Services	434	166	161	5
Civic Catering & Functions	27	13	11	2
Mayoral Allowances	22	15	15	0
Legal Expenses	223	120	120	0
Total Expenditure	2,493	1,262	1,271	(9)
<u>Income</u>				
Land Charges	-103	-41	-39	(2)
License Income	-256	-114	-114	0
Schools SLA's	-66	-66	-89	23
Government Grants	-33	-33	-52	19
Other Income	-28	-15	-32	17
Transfers from Reserves	-68	-50	-50	0
Total Income	-554	-319	-376	57
Net Operational Expenditure	1,939	943	895	48
<u>Recharges</u>				
Premises Support	158	79	79	0
Transport Recharges	11	5	5	0
Central Support Recharges	361	180	180	0
Support Recharges Income	-1,867	-934	-934	0
Net Total Recharges	-1,337	-670	-670	0
Net Department Expenditure	602	273	225	48

Comments on the above figures

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

With regards to expenditure employee costs are in excess of the budget profile which is due to unachieved staff turnover savings.

With regards to income, Schools SLA income is in excess of the annual budget due to a higher than anticipated buy-back of Legal services.

Government grant income is also in excess of the budget profile due to the receipt of an additional Individual Elections Registration grant.

Other income is also above the budget profile which is a result an increase in the volume of chargeable Section 38 (Highway Developer Agreements) related Legal work.

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

Community & Environment Department**Revenue Budget As At 30 September 2016**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend) £'000
<u>Expenditure</u>				
Employees	13,770	6,857	6,918	(61)
Other Premises	2,087	1,195	1,176	19
Supplies & Services	1,733	903	869	34
Book Fund	170	85	86	(1)
Hired & Contracted Services	1,159	390	372	18
Food Provisions	608	351	344	7
School Meals Food	2,059	767	753	14
Transport	59	27	23	4
Other Agency Costs	557	204	105	99
Waste Disposal Contracts	5,119	1,050	1,094	(44)
Grants To Voluntary Organisations	254	116	102	14
Grant To Norton Priory	172	86	88	(2)
Open Space Projects	70	51	51	0
Transfers To Reserves	133	0	0	0
Capital Financing	30	25	20	5
Total Expenditure	27,980	12,107	12,001	106
<u>Income</u>				
Sales Income	-2,410	-1,207	-1,114	(93)
School Meals Sales	-2,179	-901	-930	29
Fees & Charges Income	-5,141	-3,094	-2,986	(108)
Rents Income	-267	-204	-211	7
Government Grant Income	-1,186	-754	-754	0
Reimbursements & Other Grant Income	-643	-301	-301	0
Schools SLA Income	-83	-77	-80	3
Internal Fees Income	-194	-53	-46	(7)
School Meals Other Income	-2,350	-2,198	-2,223	25
Catering Fees	-187	-94	-31	(63)
Capital Salaries	-53	-13	-19	6
Open Space Projects	-70	-21	-21	0
Transfers From Reserves	-75	-67	-67	0
Total Income	-14,838	-8,984	-8,783	(201)
Net Operational Expenditure	13,142	3,123	3,218	(95)
<u>Recharges</u>				
Premises Support	1,915	934	934	0
Transport Recharges	1,942	825	825	0
Departmental Support Services	9	0	0	0
Central Support Services	2,481	1,280	1,280	0
HBC Support Costs Income	-447	-140	-140	0
Net Total Recharges	5,900	2,899	2,899	0
Net Department Expenditure	19,042	6,022	6,117	(95)

Comments on the above figures:

The net department budget is £95,000 over budget profile at the end of the second quarter of the 2016/17 financial year.

Employee expenditure is over budget to date mainly due to staff savings targets for the period not being achieved in full. Staff turnover savings target for the year is £553,060 which will be difficult to achieve but will be monitored closely. Agency spend in Open Spaces has now ceased with all vacancies now filled.

Other Agency costs are £99,000 under budget profile as many Area Forum projects have not yet started. There is currently £117,000 committed to projects with £239,000 unallocated budget across all Area Forums.

Waste disposal contracts will face a significant change this year. October introduces the new contract agreements and it is expected that significant increases in spend will occur, however work has already been undertaken to reduce the impact of this. Currently this budget is over budget profile and will remain a pressure to be closely scrutinised throughout the year.

Sales income, Fees & Charges and Internal Catering Fees across the Department collectively continue to struggle to achieve agreed budgets for the year. Last year income for these specific areas underachieved by over £500,000, although this was partially offset by other income streams. As targets increase year on year they become increasingly difficult to attain, therefore budgets are closely monitored and if necessary budgets will be realigned where possible.

Conversely there are some income streams that are performing well. Income relating to the collection of green waste has already overachieved by over £60,000 against its budget. Brindley income is up by 7% compared to the same stage last year and the newly acquired Leisure Centres are also currently overachieving by £ 14,000 to date. This will go some way to offset the departmental overspend.

Based on current spend patterns it is estimated the year end outturn for the department will show an overspend position of approximately £200,000. Expenditure will be closely monitored for the remainder of the year and the outturn position will be updated accordingly.

Community & Environment Department**Capital Projects As At 30 September 2016**

	2016-17 Capital Allocation £'000	Allocation To Date £'000	Actual Spend To Date £'000	Total Allocation Remaining £'000
Stadium Minor Works	280	200	194	86
Leisure Centres Refurbishment	275	267	267	8
Widnes Recreation Site	156	60	51	105
Norton Priory	2,830	2,760	2,759	71
Norton Priory Biomass Boiler	107	0	0	107
Children's Playground Equipment	65	0	1	64
Landfill Tax Credit Schemes	340	0	0	340
Upton Improvements	13	0	0	13
The Glenn Play Area	64	30	26	38
Runcorn Hill Park	210	120	118	92
Crow Wood Park Play Areas	35	0	2	33
Open Spaces Schemes	200	50	51	149
Peelhouse Lane Cemetery	105	0	1	104
Peelhouse Lane Cemetery –Enabling Works	46	35	35	11
Litter Bins	20	10	11	9
Total	4,746	3,532	3,516	1,230

Comments on the above figures:

The Leisure Centre Refurbishment project is now complete, with spend within the capital allocation.

The Widnes Recreation project has now been completed, although there are still a number of payments due in respect of retention payments. Again, it is anticipated that spend will remain within budget.

The Norton Priory "Monastery To Museum" project commenced on-site in August 2015, and is now substantially completed. Spend is projected to be within the capital allocation. Total Heritage Lottery funding amounts to £3.9M over the course of the project.

The allocation for Landfill Tax Credit Schemes serves to match fund various open spaces projects, currently including The Glenn, Runcorn Hill, and Spike Island/Sankey Canal.

The allocation for Upton Improvements is required for final account/contract claim payments.

Works on the Glenn play area are now largely complete, with expenditure to show in the third quarter's financial report. Spend will be within budget.

The Runcorn Hill project is 3.5 years into a 5 year programme. The main capital works (Café building/pond/path/boundary works) are largely completed, with some additional path and boundary work to complete.

The allocation for Open Spaces Schemes funds a variety of small landscape improvement and play schemes. Spend will be within available funding for the year.

The Peel House Cemetery and Enabling Works was delayed due to planning issues. It is anticipated that the initial earthworks will now commence in December 2016.

Economy Enterprise & Property**Revenue Budget As At 30 September 2016**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance to Date (Overspend) £'000
<u>Expenditure</u>				
Employees	4,523	2,172	2,217	(45)
Repairs & Maintenance	2,561	802	800	2
Premises	49	43	43	0
Energy & Water Costs	644	247	233	14
NNDR	544	507	471	36
Rents	354	259	257	2
Economic Regeneration Activities	49	4	4	0
Supplies & Services	2,071	705	684	21
Grants to Non Voluntary Organisations	232	191	191	0
Total Expenditure	11,027	4,930	4,900	30
<u>Income</u>				
Fees & Charges	-289	-135	-137	2
Rent – Markets	-779	-387	-389	2
Rent – Industrial Estates	-49	-49	-112	63
Rent – Investment Properties	-855	-406	-415	9
Transfer to /from Reserves	-1,284	-828	-828	0
Government Grant – Income	-2,033	-671	-671	0
Reimbursements & Other Income	-185	-95	-98	3
Recharges to Capital	-224	-43	-18	(25)
Schools Sla Income	-507	-470	-471	1
Total Income	-6,205	-3,084	-3,139	55
Net Operational Expenditure	4,822	1,846	1,761	85
<u>Recharges</u>				
Premises Support Costs	1,920	942	942	0
Transport Support Costs	18	8	8	0
Central Support Service Costs	2,066	1,035	1,035	0
Repairs & Maintenance Recharge Income	-2,703	-1,351	-1,351	0
Accommodation Recharge Income	-2,897	-1,449	-1,449	0
Central Support Service Recharge Income	-1,995	-974	-974	0
Net Total Recharges	-3,591	-1,789	-1,789	0
Net Department Expenditure	1,231	57	-28	85

Comments on the above figures

Economy Enterprise & Property Departmental budget is projected to be under budget at year end. The under spend in the main due to the following.

The negative variance on employee costs is mainly in relation to the School Cleaning service. The service is SLA led and therefore a full service needs to be provided at all times. As a result, variations within the level of contracted staff employed and the demand for use of casual staff has increased this quarter. Furthermore there are few vacancies within the Department that can be used to offset the savings targets.

NNDR expenditure is below budget due to the revaluation of a number of Council Properties and the Council has received a repayment of previous years NNDR payments.

In order to ease budget pressures spending will be restricted in-year on Supplies & Services, for the year to date spend is £21,000 less than forecast.

The delay in the sale of the Oldgate, Marshgate and Dewar Court industrial estates has meant rental income is above the budgeted target for the year to date. Investment Properties rental income has remained constant and generated income remains above set targets. This is due to a minimal change in the occupancy rates.

Although Market Hall rental income is above budget at the end of this quarter, there has been a decrease in the level of income as a result of tenants vacating the stalls. Action is in place to promote the Market and increase tenancy occupancy.

Conditions relating to capital grants has meant there is reduced scope to recharge staffing costs to certain projects which will have an impact in reaching budgeted capital salary income..

Under the current financial situation, every effort will be made to ensure that expenditure on controllable budgets is kept to a minimum within the Department, it is forecast net spend at year end will be below the annual budget.

Economy Enterprise & Property**Capital Projects As At 30 September 2016**

Capital Expenditure	2016/17 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
Castlefields Regeneration	179	14	14	165
3MG	2,809	249	249	2,560
Former Crossville Depot	2,618	1,000	808	1,810
Johnsons Lane Infrastructure	302	0	0	302
Decontamination of Land	6	0	0	6
Sci- Tech Daresbury	10,953	8,000	7,845	3,108
Police Station Demolition	341	219	288	53
Travellers Site Warrington Road	48	0	0	48
Widnes Town Centre Initiative	16	0	0	16
Widnes Carpark, 29-31 Moor Lane & Land at Halebank	235	0	0	235
Equality Act Improvement Works	150	0	0	150
Advertising Screen at The Hive	100	0	0	100
Signage at The Hive	100	0	0	100
Widnes Market Refurbishment	1,052	0	30	1,022
Total Capital Expenditure	18,909	9,482	9,234	9,675

Comments on the above figures.

Castlefields Regeneration – Negotiations are on-going to settle the final CPO as part of the Castlefields project although final settlement may slip into the following financial year.

Sci-Tech Daresbury – The current phase of works is reaching completion. Tech Space 1 is currently in fit out and due to complete on 17th October. Once this is complete the lease to Daresbury Science and Innovation Campus LLP will be completed.

3MG - Alstom are now on site, they have completed the majority of the earthworks and the steel is being erected and they are on target to open in May 2017 with the land sale to Alstom for the first phase will complete in October 2016.




Market Refurbishment – Indoor lighting completed on site, outside lighting is still on-going. Re-roofing works to be re-tended Oct/Nov 16 with a view to starting on site Jan 2017, anticipated completion June 17. External work, new market office and agile work areas to follow re-roofing works.

Former Crossville Depot – Work has commenced on site. Currently undertaking the groundworks.




8.0 Application 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 intervention or remedial action taken.</i>

Direction of Travel Indicator

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	N / A	Indicates that the measure cannot be compared to the same period last year.