

## Corporate Policy and Performance Board– Priority Based Monitoring

Reporting Period: **Quarter 2 – 1st July 2016 – 30<sup>th</sup> 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 28<sup>th</sup> 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 15<sup>th</sup> September 2016. Net expenditure was £0.2m above the profiled budget to date figure of £17.488m. Capital spending as at 30<sup>th</sup> 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 Council's 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 1<sup>st</sup> April 2017 business properties will be subject to new rateable valuations and the draft Valuation List was published on 30<sup>th</sup> 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 - <b>November 2016.</b>	
FS 01b	Report to Council - <b>March 2017.</b>	
FS 02c	Provide <b>quarterly</b> monitoring reports on the overall budget to Executive Board.	
FS 03b	Publish the Statement of Accounts by <b>30<sup>th</sup> September 2016.</b>	
FS 04a	Establish Treasury Management Policy and report to Council - <b>March 2016.</b>	
FS 05a	Establish and report prudential indicators to Council - <b>March 2016.</b>	

#### 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 <b>March 2017</b>	
PPE 02b	Review and refresh annual training calendar <b>March 2017</b> .	
PPE 03a	Report to the Business Efficiency Board on the on-going delivery of the Council's Efficiency Programme ( <b>June and November 2016</b> 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 <sup>1</sup>					
	▪ 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.

<sup>1</sup> Performance targets for these measures take account of local demographic profiles

**Key Objectives / milestones**

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

**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"> <li>Priority 1</li> <li>Priority 2</li> <li>Priority 3</li> <li>Priority 4</li> </ul>	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 - <b>May 2016.</b>	
LD 02b	To induct all new members <b>by October 2016.</b>	

### 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) - <b>January 2017</b> .	
CE 03	Deliver a promotion and educational campaign (school meals) - <b>September 2016 and January 2017</b> .	

### 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 none 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 - <b>March 2017</b> .	
EEP 01b	Complete Asset Review by – <b>June 2016</b> .	
EEP 01c	Complete Widnes Market Hall refurbishment by - <b>March 2017</b> .	
EEP 01d	Complete Phase 1 of Fairfield Primary by - <b>March 2017</b> .	
EEP 01e	Start Term Contracts by – <b>June 2016</b> .	





#### 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
<b><u>Expenditure</u></b>				
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
<b>Total Expenditure</b>	<b>64,379</b>	<b>31,908</b>	<b>31,859</b>	<b>49</b>
<b><u>Income</u></b>				
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
<b>Total Income</b>	<b>-56,945</b>	<b>-26,073</b>	<b>-26,074</b>	<b>1</b>
<b>Net Operational Expenditure</b>	<b>7,434</b>	<b>5,835</b>	<b>5,785</b>	<b>50</b>
<b><u>Recharges</u></b>				
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
<b>Net Total Recharges</b>	<b>-3,330</b>	<b>-1,655</b>	<b>-1,655</b>	<b>0</b>
<b>Net Department Expenditure</b>	<b>4,104</b>	<b>4,180</b>	<b>4,130</b>	<b>50</b>

### **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
<b><u>Expenditure</u></b>				
Employees	1,717	846	841	5
Employee Training	133	40	40	0
Supplies & Services	122	54	61	(7)
<b>Total Expenditure</b>	<b>1,972</b>	<b>940</b>	<b>942</b>	<b>(2)</b>
<b><u>Income</u></b>				
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
<b>Total Income</b>	<b>-604</b>	<b>-503</b>	<b>-507</b>	<b>4</b>
<b>Net Operational Expenditure</b>	<b>1,368</b>	<b>437</b>	<b>435</b>	<b>2</b>
<b><u>Recharges</u></b>				
Premises Support	67	34	34	0
Central Support Recharges	265	132	132	0
Support Recharges Income	-1,700	-850	-850	0
<b>Net Total Recharges</b>	<b>-1,368</b>	<b>-684</b>	<b>-684</b>	<b>0</b>
<b>Net Department Expenditure</b>	<b>0</b>	<b>-247</b>	<b>-249</b>	<b>2</b>

**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
<b><u>Expenditure</u></b>				
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
<b>Total Expenditure</b>	<b>7,656</b>	<b>3,847</b>	<b>3,575</b>	<b>272</b>
<b><u>Income</u></b>				
Fees & Charges	-848	-250	-257	7
Reimbursements & Other Grants	0	0	-7	7
Sla To Schools	-534	-514	-512	(2)
<b>Total Income</b>	<b>-1,382</b>	<b>-764</b>	<b>-776</b>	<b>12</b>
<b>Net Operational Expenditure</b>	<b>6,274</b>	<b>3,083</b>	<b>2,799</b>	<b>284</b>
<b><u>Recharges</u></b>				
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
<b>Net Total Recharges</b>	<b>-6,272</b>	<b>-3,136</b>	<b>-3,136</b>	<b>0</b>
<b>Net Department Expenditure</b>	<b>2</b>	<b>-53</b>	<b>-337</b>	<b>284</b>

### **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
<b>Total Capital Expenditure</b>	<b>1,100</b>	<b>780</b>	<b>780</b>	<b>320</b>

**Comments on the above figures.**

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

## **Legal & Democratic Services Department**

### **Revenue Budget As At 30 September 2016**

	Annual Budget  £'000	Budget To Date  £'000	Actual To Date  £'000	Variance to Date (Overspend) £'000
<b><u>Expenditure</u></b>				
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
<b>Total Expenditure</b>	<b>2,493</b>	<b>1,262</b>	<b>1,271</b>	<b>(9)</b>
<b><u>Income</u></b>				
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
<b>Total Income</b>	<b>-554</b>	<b>-319</b>	<b>-376</b>	<b>57</b>
<b>Net Operational Expenditure</b>	<b>1,939</b>	<b>943</b>	<b>895</b>	<b>48</b>
<b><u>Recharges</u></b>				
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
<b>Net Total Recharges</b>	<b>-1,337</b>	<b>-670</b>	<b>-670</b>	<b>0</b>
<b>Net Department Expenditure</b>	<b>602</b>	<b>273</b>	<b>225</b>	<b>48</b>

### **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
<b><u>Expenditure</u></b>				
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
<b>Total Expenditure</b>	<b>27,980</b>	<b>12,107</b>	<b>12,001</b>	<b>106</b>
<b><u>Income</u></b>				
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
<b>Total Income</b>	<b>-14,838</b>	<b>-8,984</b>	<b>-8,783</b>	<b>(201)</b>
<b>Net Operational Expenditure</b>	<b>13,142</b>	<b>3,123</b>	<b>3,218</b>	<b>(95)</b>
<b><u>Recharges</u></b>				
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
<b>Net Total Recharges</b>	<b>5,900</b>	<b>2,899</b>	<b>2,899</b>	<b>0</b>
<b>Net Department Expenditure</b>	<b>19,042</b>	<b>6,022</b>	<b>6,117</b>	<b>(95)</b>

### **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
<b>Total</b>	<b>4,746</b>	<b>3,532</b>	<b>3,516</b>	<b>1,230</b>

#### **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
<b><u>Expenditure</u></b>				
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
<b>Total Expenditure</b>	<b>11,027</b>	<b>4,930</b>	<b>4,900</b>	<b>30</b>
<b><u>Income</u></b>				
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
<b>Total Income</b>	<b>-6,205</b>	<b>-3,084</b>	<b>-3,139</b>	<b>55</b>
<b>Net Operational Expenditure</b>	<b>4,822</b>	<b>1,846</b>	<b>1,761</b>	<b>85</b>
<b><u>Recharges</u></b>				
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
<b>Net Total Recharges</b>	<b>-3,591</b>	<b>-1,789</b>	<b>-1,789</b>	<b>0</b>
<b>Net Department Expenditure</b>	<b>1,231</b>	<b>57</b>	<b>-28</b>	<b>85</b>

### **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
<b>Total Capital Expenditure</b>	<b>18,909</b>	<b>9,482</b>	<b>9,234</b>	<b>9,675</b>

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