

**HALTON BOROUGH COUNCIL**



*Municipal Building,  
Kingsway,  
Widnes.  
WA8 7QF*

*6 December 2011*

**TO: MEMBERS OF THE HALTON  
BOROUGH COUNCIL**

*You are hereby summoned to attend an Ordinary Meeting of the Halton Borough Council to be held in the Council Chamber, Runcorn Town Hall on Wednesday, 14 December 2011 commencing at 6.30 p.m. for the purpose of considering and passing such resolution(s) as may be deemed necessary or desirable in respect of the matters mentioned in the Agenda.*

A handwritten signature in black ink, appearing to read 'David W. R.', is positioned above the title 'Chief Executive'.

*Chief Executive*

**-AGENDA-**

<b>Item No.</b>		<b>Page No.</b>
<b>1.</b>	<b>COUNCIL MINUTES</b>	
<b>2.</b>	<b>APOLOGIES FOR ABSENCE</b>	
<b>3.</b>	<b>THE MAYOR'S ANNOUNCEMENTS</b>	
<b>4.</b>	<b>DECLARATIONS OF INTEREST</b>	
<b>5.</b>	<b>LEADER'S REPORT</b>	
<b>6.</b>	<b>MINUTES OF THE EXECUTIVE BOARD</b>	<b>See Minute Book</b>
	a) 13 October 2011	
	b) 3 November 2011	
	c) 17 November 2011	
	d) 1 December 2011	
<b>7.</b>	<b>MINUTES OF THE EXECUTIVE BOARD SUB COMMITTEE</b>	<b>See Minute Book</b>
	a) 13 October 2011	
	b) 3 November 2011	
	c) 17 November 2011	
	d) 1 December 2011	
<b>8.</b>	<b>MINUTES OF THE MERSEY GATEWAY EXECUTIVE BOARD</b>	<b>See Minute Book</b>
	a) 17 November 2011	
<b>9.</b>	<b>QUESTIONS ASKED UNDER STANDING ORDER 8</b>	

**10. MATTERS REQUIRING A DECISION OF THE COUNCIL**

a) 2011/12 Half Year Spending (Minute EXB 60 refers)

The Executive Board considered the attached report:-

RECOMMENDED: That

- 1) all spending continues to be limited to the absolutely essential;
- 2) Directorates continue to closely control spending on agency staff and additional hours (including overtime) so that spending in these areas reduces in each succeeding quarter;
- 3) Strategic Directors ensure overall spending at year-end is within their total operational budget;
- 4) the revised capital programme as set out in Appendix 2 be approved; and
- 5) implementation of the 2012/13 budget proposals listed in paragraph 3.13 of the report, subject to the inclusion of the amended figures reported, be approved.

b) Basic Need Capital Allocation 2011-12 - KEY DECISION  
(Minute EXB 61 refers)

The Executive Board considered the attached report:-

RECOMMENDED: That

- 1) the proposals to be funded from the Basic Need Capital allocation be approved; and
- 2) the submission of the projects be approved.

c) Treasury Management 2011/12: Mid-Year Review (Minute ES51 refers)

The Executive Board Sub Committee considered the attached report:-

RECOMMENDED: That the revised Prudential Indicators and the increase in counterparty limits for Lloyds/TSB and Royal Bank of Scotland be approved.

d) Determination of the Council Tax Base (Minute EXB 75 refers)

**1 - 26**

**27 - 30**

**31 - 40**

**41 - 44**

The Executive Board considered the attached report:-

RECOMMENDED: That

- 1) the 2012/13 Council Tax Base be set at 38,200 for the Borough, and that the Cheshire Fire Authority, the Cheshire Police Authority, and the Environment Agency be so notified; and
- 2) the Council Tax Base for each of the Parishes be set as follows:

Parish	Tax Base
Hale	729
Halebank	590
Daresbury	146
Moore	345
Preston Brook	347
Sandymoor	985

**11. MINUTES OF THE POLICY AND PERFORMANCE BOARDS AND THE BUSINESS EFFICIENCY BOARD**

- a) Children, Young People and Families - yellow pages
- b) Employment, Learning, Skills and Community - cream pages
- c) Health - blue pages
- d) Safer - pink pages
- e) Environment and Urban Renewal - green pages
- f) Corporate Services - salmon pages
- g) Business Efficiency Board - white pages

**See Minute Book**

**12. COMMITTEE MINUTES**

- a) Development Control - pink pages
- b) Appeals Panel - white pages
- c) Appointments Committee - salmon pages

**See Minute Book**

**REPORT TO:** Executive Board

**DATE:** 3<sup>rd</sup> November 2011

**REPORTING OFFICER:** Operational Director – Finance

**SUBJECT:** 2011/12 Half Year Spending

**WARD(S):** Borough-wide

## **1.0 PURPOSE OF REPORT**

1.1 To report the Council's overall revenue and capital spending position as at 30<sup>th</sup> September 2011.

## **2.0 RECOMMENDED: That;**

- (i) all spending continues to be limited to the absolutely essential;**
- (ii) Directorates continue to closely control spending on agency staff and additional hours (including overtime) so that spending in these areas reduces in each succeeding quarter;**
- (iii) Strategic Directors ensure overall spending at year-end is within their total operational budget;**
- (iv) Council approve the revised capital programme as set out in Appendix 2; and**
- (v) Council approve implementation of the 2012/13 budget proposals listed in paragraph 3.13 below.**

## **3.0 SUPPORTING INFORMATION**

### **Revenue Spending**

3.1 Appendix 1 presents a summary of spending against the revenue budget up to 30<sup>th</sup> September 2011, along with individual statements for each Department. In overall terms revenue expenditure is above the budget profile. Although the budget profile is only a guide to eventual spending experience shows that spending can accelerate towards the end of the year. To avoid this Directorates should continue to limit all spending to the absolutely essential to ensure that each Directorate's spending at year-end is within its total operational budget.

3.2 At the Board's meeting on 22<sup>nd</sup> September 2011 an Action Plan was approved with the aim that each Directorate restrict spending by year end

within its bottom-line operational budget. The required actions have been put in place and will continue to be applied during the remainder of the year.

- 3.3 Staffing expenditure continues to be a concern, as although total spending is £180,000 below budget profile at the end of the quarter, this is a very marginal position in terms of the total employee budget of over £71m. There are however, a number of factors to take into account including the fact that negotiations on new premium pay arrangements are still continuing with the Unions.
- 3.4 Staff turnover is much reduced and now lower than assumed in the budget, therefore this will be reflected in the Medium Term Financial Strategy.
- 3.5 Whilst additional hours overtime expenditure has reduced, agency staff costs have increased from the previous quarter. These areas account for a significant amount of expenditure and therefore Directorates should continue to control spending in order to bring about reductions.
- 3.6 Certain budget savings approved for 2011/12 are not yet being achieved. These include premium pay/overtime (£750,000) referred to above, street lighting on rural roads (£40,000) and running costs associated with asset disposals (£250,000).
- 3.7 The community care budget continues to be under significant pressure due to increasing client numbers. The situation is being monitored closely and remedial action is being taken to bring expenditure back under control and in line with budget as soon as possible.
- 3.8 Children's residential placements are below budget profile at half year, due to reduced numbers of children and the proactive approach being taken to managing placements. These are however highly volatile budgets and will therefore need to continue to be monitored closely.
- 3.9 The economic downturn continues to affect income. A number of income budgets are below their profile including market rents, industrial estates rents, print unit fees, land charges, social care charges and licence fees. These budgets will need to be closely monitored during the year to ensure the overall budget is balanced.
- 3.10 Capital financing costs are below budget to date, due to lower than anticipated rates having been obtained when borrowing to fund the capital programme.
- 3.11 Collection rates for both Council Tax and Business Rates are lower than at this stage last year, however, they are above the average for North West councils.
- 3.12 The Council's overall net spending is marginally below the budget profile at half year. Nevertheless, it is important that budget managers continue to closely monitor and control spending and income. In the current

financial climate budget underspends will be helpful and therefore spending should be limited to the absolutely essential.

### **2012/13 Budget Proposals**

- 3.13 Budget saving proposals are currently being developed for 2012/13. A number of these, listed below (along with the full year value), can be implemented immediately. It is proposed that this is done in order to achieve a part-year saving in 2011/12 which will assist in keeping the Council's overall spending in line with budget.
- (a) Printing of benefit notifications and letters externally (£8,000)
  - (b) Discontinue with second reminders for general debtors (£2,000)
  - (c) Full year effect of last year's saving in Cashiers (£10,000)
  - (d) Reduction in the Efficiency Programme's consultancy budget (£25,000)
  - (e) Reduction in the Efficiency Programme's delivery budget (£25,000)
  - (f) Deletion of vacant HBC4/6 post in Financial Management Division (£24,000)
  - (g) Reconfigure Training including greater use of e-learning (£200,000)
  - (h) Reduce Trade Union staffing budget (£37,000)
  - (i) Reduce hours of Child Care Solicitor (£9,000)
  - (j) Realise balance of 2010/11 staff saving in Democratic Services (£29,000)
  - (k) Reduce Members training budget (£15,000)
  - (l) Reduce civic activities small functions budget (£30,000)
  - (m) Deletion of vacant post and ancillary costs in Performance Division (£57,000)
  - (n) Delete existing post of Principal Engineer (Project Management) (£42,000)
  - (o) Single crew one of the in-house passenger fleet vehicles (£21,000)
  - (p) Reduce level of printing costs for public transport publicity (£3,000)
  - (q) Savings on insurance contract (£250,000)
  - (r) Procurement - traded service to schools and HHT (£50,000)
  - (s) Reduce contracted services budget in Procurement Division (£13,000)
  - (t) Procurement - balance of £1m target (£500,000)
  - (u) ICT income opportunities – school SLAs and salary sacrifice scheme (£250,000)
  - (v) Restructure HR and Learning & Development Division (£128,000)
  - (w) Restructuring and reduction of posts in Admin Services (£175,000 out of £208,000)
  - (x) Reduce bus stop maintenance across the Borough (£2,000)
  - (y) Restructure and re-commission Youth Services (£200,000)
  - (z) Reduction in the cost of transport for children in care and children in need (£10,000)
  - (aa) Integrated Building Inspections – introduce charging for building inspections of Diocesan schools (£20,000)
  - (ab) Restructure Children & Families Services - Redesign the management structure of Team Around the Family (£53,000)
  - (ac) Reduce the budget allocations for 'additional expenditure' for children in care to reflect lower numbers in care (£20,000)

- (ad) Runcorn schools – removal of community budgets (£73,000)
- (ae) Accommodation savings - relocation from Grosvenor House (£400,000) and other relocations (£252,000)
- (af) Enterprise Game - explore the possibility of selling the franchise (£25,000)
- (ag) Economy Enterprise & Property Department - introduce a success fee for external funding (£10,000)
- (ah) Educational Psychologists - Generate additional income from training courses (£40,000)
- (ai) Newly qualified teachers and moderation - reduce costs through shared service within the Learn Together Partnership (£15,000)
- (aj) Reduction in the number of externally commissioned placements for children in care (£100,000)
- (ak) Restructure Children & Families Services - refocus and realign the Children's Safeguarding Unit (£48,000)
- (al) Children with Disability Pooled Budget – surplus funds (£500,000)
- (am) 5% efficiency savings on Residential Care for Adults with Learning Disability (£50,000)
- (an) School meals - reduction in supervisor's hours and marketing costs (£47,000)
- (ao) Open Spaces - reduction in security at parks (£50,000)
- (ap) Refrain from awarding annual uplift to the residential and domiciliary care providers (£171,000)
- (aq) Renegotiate contracts - Waste Services (i) savings in the costs incurred in the procurement of waste treatment facilities (£150,000); (ii) office recycling (£15,000); (iii) lease for replacement bins (£37,000)
- (ar) Renegotiate contracts - Stadium - reduction in costs for beers/wines (£20,000); School Meals - renegotiate maintenance contract (£25,000)
- (as) Trading Standards - negotiate 20% contract reduction (£80,000)
- (at) Increase pest control charges (£5,000)
- (au) Increase Riverside Housing contribution to Dorset Gardens (£5,000)
- (av) Waste services - advertise on fleet (£10,000)
- (aw) Care contracts – renegotiate 15 minute visits (medication calls) (£80,000)
- (ax) Redesign carers respite service and reduction in some low-level voluntary sector practical tasks (£55,000)
- (ay) Mental health resource centre – transfer to Oakmeadow (£10,000)
- (az) Underspend in telecare and community care budgets – one-off (£340,000)
- (ba) Supporting People - efficiency saving in external and in-house services following review of current SP funding (£100,000) and an underspend in Supporting People budgets (£473,000 one off)
- (bb) Transformation grant – potential 11/12 underspend (£227,000 one-off)

### **Capital Spending**

- 3.14 The capital programme has been revised to reflect a number of changes in spending profiles and funding as schemes have developed and these



are reflected in the capital programme presented in Appendix 2. The schemes which have been revised within the programme are as follows;

- (i) Grants for renovation/home repairs
- (ii) Bayer
- (iii) Wade Deacon High School
- (iv) Short Breaks for Disabled Children
- (v) Municipal Building
- (vi) Queens Hall
- (vii) Mersey Gateway Early Land Acquisition
- (viii) Mersey Gateway Development Costs
- (ix) Pot Hole Repairs
- (x) Open Spaces
- (xi) Runcorn Market Building
- (xii) Section 106 - B&Q Site
- (xiii) Section 106 - Asda Runcorn
- (xiv) Risk Management

3.15 Capital spending to 30<sup>th</sup> September 2011 totalled £15.4m, which is 69% of the planned spending of £22.2m at this stage. However, this only represents 25% of the total capital programme of £62.8m (which assumes a 20% slippage between years).

3.16 The main areas of programme slippage to date are in respect of Wade Deacon High School, ICT Rolling Programme, Mersey Gateway Early Land Acquisition and Development Costs, and Growth Point.

### **Balance Sheet**

3.17 The Council's Balance Sheet is monitored regularly in accordance with the Reserves and Balances Strategy which forms part of the Medium Term Financial Strategy. The key reserves and balances have been reviewed and are considered prudent and appropriate at this stage in the financial year.

3.18 A significant number of equal pay claims have been lodged with the Council as part of the national single status agreement. A number of claims are in the process of being settled. The majority however, are being considered by our legal advisers and will result in a significant cost falling on the Council, although the timescales are as yet uncertain. A reserve has been established over recent years in order to meet the future cost of such claims. However, it has recently emerged that claims may also be subject to pension which would further increase the potential cost to the Council, therefore the reserve has been increased by £0.5m to reflect this and now totals £5m.

3.19 During 2010/11 the Council established a Transformation Fund in order to meet the potential costs associated with future structural changes required in order to balance the Council's budget and shape future service delivery. Given the significant financial difficulties facing the Council which are highlighted in the Medium Term Financial Strategy, the Fund has been increased by £0.5m and now totals £1.6m.

**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, the revenue budget and capital programme support the delivery and achievement of all the Council's priorities.

**6.0 RISK ANALYSIS**

6.1 There are a number of financial risks within the budget. However, the Council has internal controls and processes in place to ensure that spending remains in line with budget.

6.2 In preparing the 2011/12 budget, a register of significant financial risks was prepared which has been updated as at 30<sup>th</sup> September 2011.

**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.

Summary of Revenue Spending to 30<sup>th</sup> September 2011

Directorate / Department	Annual Budget	Budget To Date	Actual Spend	Variance To Date
	£'000	£'000	£'000	£'000
Children and Families Services	11,103	4,223	3,892	331
Children's Organisation and Provision	13,730	3,181	2,885	296
Learning and Achievement	3,594	3,096	3,031	65
Economy, Enterprise & Property	3,413	2,778	2,841	(63)
<b>Children and Enterprise</b>	<b>31,840</b>	<b>13,278</b>	<b>12,649</b>	<b>629</b>
Human Resources	38	29	-53	82
Policy, Planning & Transportation	18,359	4,837	4,585	252
Legal & Democratic Services	1,008	521	602	(81)
Finance	4,881	7,076	7,008	68
ICT & Support Services	159	-412	-429	17
<b>Policy and Resources</b>	<b>24,445</b>	<b>12,051</b>	<b>11,713</b>	<b>338</b>
Community & Environment	25,188	10,027	10,068	(41)
Prevention & Assessment	22,000	6,883	7,667	(784)
Commissioning & Complex Care	18,105	7,202	7,098	104
<b>Communities</b>	<b>65,293</b>	<b>24,112</b>	<b>24,833</b>	<b>(721)</b>
<b>Corporate &amp; Democracy</b>	<b>-11,091</b>	<b>476</b>	<b>832</b>	<b>(356)</b>
	<b>110,487</b>	<b>49,917</b>	<b>50,027</b>	<b>(110)</b>

## APPENDIX 1 (continued)

## CHILDREN &amp; ENTERPRISE DIRECTORATE

## CHILDREN &amp; FAMILIES SERVICES DEPARTMENT

Revenue Budget as at 30<sup>th</sup> September 2011

	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (Overspend) £'000
<b><u>Expenditure</u></b>				
Employees	8,105	4,056	3,898	158
Premises	384	153	151	2
Supplies & Services	1,598	348	344	4
Transport	46	23	5	18
Agency Related Expenditure	383	120	118	2
Residential Placements	2,035	1,317	1,200	117
Out of Borough Adoption	80	10	7	3
Out of Borough Fostering	500	207	205	2
In House Foster Carer Placements	1,534	726	685	41
In House Adoption	357	179	192	(13)
Care Leavers	396	238	240	(2)
Commissioned Services	500	250	259	(9)
Family Support	129	22	14	8
<b>Total Expenditure</b>	<b>16,047</b>	<b>7,399</b>	<b>7,068</b>	<b>331</b>
<b><u>Income</u></b>				
Early Intervention Grant	-8,226	-3,818	-3,818	0
Government Grants	-393	-249	-249	0
Transfer from Reserves	-300	-300	-300	0
Fees & Charges	-578	-348	-348	0
Adoption Placements	-40	-12	-12	0
<b>Total Income</b>	<b>-9,537</b>	<b>-4,727</b>	<b>-4,727</b>	<b>0</b>
<b>Net Operational Expenditure</b>	<b>6,510</b>	<b>2,672</b>	<b>2,341</b>	<b>331</b>
<b><u>Recharges</u></b>				
Premises	349	136	136	0
Transport	123	64	64	0
Central Support Services	4,077	1,351	1,351	0
Asset Rentals	44	0	0	0
<b>Total Recharges</b>	<b>4,593</b>	<b>1,551</b>	<b>1,551</b>	<b>0</b>
<b>Net Department Total</b>	<b>11,103</b>	<b>4,223</b>	<b>3,892</b>	<b>331</b>

**CHILDREN'S ORGANISATION & PROVISION DEPARTMENT**  
**Revenue Budget as at 30<sup>th</sup> September 2011**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend) £'000
<b>Expenditure</b>				
Employees	2,860	1,559	1,528	31
Premises	55	24	21	3
Supplies & Services	2,460	907	882	25
Transport	5	2	3	(1)
Commissioned Services - Youth Service	1,364	693	693	0
Commissioned Services – BSF	447	387	387	0
Commissioned Services– Other	1,740	555	409	146
Schools Transport	1,008	329	277	52
Agency Related	334	103	103	0
Connexions	1,323	693	693	0
<b>Total Expenditure</b>	<b>11,596</b>	<b>5,252</b>	<b>4,996</b>	<b>256</b>
<b>Income</b>				
Reimbursements and Other Income	-262	-331	-371	40
Dedicated Schools Grant	-133	-199	-199	0
Schools SLA	-636	-7	-7	0
Transfer from BSF	-696	0	0	0
Transfer from Reserves	-446	-351	-351	0
<b>Total Income</b>	<b>-2,173</b>	<b>-888</b>	<b>-928</b>	<b>40</b>
<b>Net Operational Expenditure</b>	<b>9,423</b>	<b>4,364</b>	<b>4,068</b>	<b>296</b>
<b>Recharges</b>				
Premises Support	459	177	177	0
Transport Support	268	73	73	0
Central Support	1,341	389	389	0
Asset Charges	3,148	0	0	0
<b>Net Total Recharges</b>	<b>5,216</b>	<b>639</b>	<b>639</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>14,639</b>	<b>5,003</b>	<b>4707</b>	<b>296</b>

**CHILDREN'S ORGANISATION & PROVISION DEPARTMENT (Schools Related)**  
**Revenue Budget as at 30<sup>th</sup> September 2011**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend) £'000
<b>Expenditure</b>				
Employees	577	450	450	0
Premises	431	22	22	0
School Redundancy	251	14	14	0
Schools Contingency	1,334	0	0	0
Schools Non Delegated Support	99	0	0	0
Special Education Needs Contingency	693	0	0	0
<b>Total Expenditure</b>	<b>3,385</b>	<b>486</b>	<b>486</b>	<b>0</b>
<b>Income</b>				
Dedicated Schools Grant	-2,587	-1,293	-1,293	0
Pupil Premium	-1,707	-1,015	-1,015	0
<b>Total Income</b>	<b>-4,294</b>	<b>-2,308</b>	<b>-2,308</b>	<b>0</b>
Net Operational Expenditure	<b>-909</b>	<b>-1,822</b>	<b>-1,822</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>-909</b>	<b>-1,822</b>	<b>-1,822</b>	<b>0</b>

**LEARNING & ACHIEVEMENT DEPARTMENT**  
**Revenue Budget as at 30<sup>th</sup> September 2011**

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<b>Expenditure</b>				
Employees	4,312	1,730	1,672	58
Premises	34	6	4	2
Supplies & Services	1,512	501	493	8
Transport	13	0	0	0
Agency Related Expenditure	2,356	1,655	1,655	0
Independent School Fees	1,523	748	748	0
Inter Authority Special Needs	779	-591	-591	0
Speech Therapy	120	60	63	(3)
<b>Total Expenditure</b>	<b>10,649</b>	<b>4,109</b>	<b>4,044</b>	<b>65</b>
<b>Income</b>				
Transfer from reserves	-305	-178	-178	0
Government Grant	-191	-191	-191	0
Dedicated Schools Grant	-6,658	-930	-930	0
Reimbursements	-771	-45	-45	0
Schools SLA's	-146	-17	-17	0
<b>Total Income</b>	<b>-8,071</b>	<b>-1,361</b>	<b>-1,361</b>	<b>0</b>
<b>Net Operational Expenditure</b>	<b>2,578</b>	<b>2,705</b>	<b>2,640</b>	<b>65</b>
<b>Recharges</b>				
Premises Support	265	88	88	0
Central Support Services	25	18	18	0
Transport Recharge Income	726	242	242	0
<b>Net Total Recharges</b>	<b>1,016</b>	<b>348</b>	<b>348</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>3,594</b>	<b>3,096</b>	<b>3,031</b>	<b>65</b>

**ECONOMY, ENTERPRISE & PROPERTY DEPARTMENT**  
**Revenue Budget as at 30<sup>th</sup> September 2011**

	Annual Budget £'000	Budget to Date £'000	Expenditure to Date £'000	Variance to Date (Overspend) £'000
<b><u>Expenditure</u></b>				
Employees	4,563	2,546	2,583	(37)
Repairs & Maintenance	2,555	986	982	4
Energy & Water Costs	936	311	308	3
NNDR	918	919	913	6
Rents	1,061	726	732	(6)
Marketing Programme	11	6	6	0
Promotions	35	18	14	4
Development Projects	85	0	0	0
Supplies & Services	1,921	1,357	1,360	(3)
Agency Related Payments	193	50	57	(7)
Property Rationalisation Saving	-327	0	0	0
<b>Total Expenditure</b>	<b>11,951</b>	<b>6,919</b>	<b>6,956</b>	<b>(36)</b>
<b><u>Income</u></b>				
Rent - Markets	-806	-380	-361	(19)
Rent - Industrial	-952	-425	-411	(14)
Rent - Commercial	-560	-284	-289	5
Sales	-3	-1	-5	4
Fees & Charges	-336	-74	-70	(4)
Reimbursements	-440	-161	-162	1
Government Grant Income	-945	-233	-228	(5)
Recharges to Capital	-1,008	-33	-33	0
Schools SLA Income	-735	-692	-697	5
Transfer from Reserves	-815	222	222	0
<b>Total Income</b>	<b>-6,600</b>	<b>-2,505</b>	<b>-2,478</b>	<b>(27)</b>
<b><u>Recharges</u></b>				
Premises Support	1,522	612	612	0
Office Accommodation	153	51	51	0
Transport	57	28	28	0
Central Support Services	2,203	735	735	0
Asset Charges	2,307	3	3	0
Accommodation Recharge	-3,705	-1,215	-1,215	0
Support Service Recharges	-1,876	-987	-987	0
Repairs & Maintenance	-2,599	-866	-866	0
<b>Total Recharges</b>	<b>-1,938</b>	<b>-1,639</b>	<b>-1,639</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>3,413</b>	<b>2,778</b>	<b>2,841</b>	<b>(63)</b>



## APPENDIX 1 (continued)

## POLICY &amp; RESOURCES DIRECTORATE

## HUMAN RESOURCES DEPARTMENT

Revenue Budget as at 30<sup>th</sup> September 2011

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<b>Expenditure</b>				
Employees	1,961	995	1,025	(30)
Employee Training	520	126	70	56
Supplies & Services	68	34	19	15
<b>Total Expenditure</b>	<b>2,549</b>	<b>1,155</b>	<b>1,114</b>	<b>41</b>
<b>Income</b>				
Fees & Charges	-23	-16	-57	41
School SLA's	-269	0	0	0
<b>Total Income</b>	<b>-292</b>	<b>-16</b>	<b>-57</b>	<b>41</b>
<b>Net Operational Expenditure</b>	<b>2,257</b>	<b>1,139</b>	<b>1,057</b>	<b>82</b>
<b>Recharges</b>				
Premises Support	451	225	225	0
Transport Recharges	20	10	10	0
Central Support Recharges	539	269	269	0
Support Recharges Income	-3,229	-1,614	-1,614	0
<b>Net Total Recharges</b>	<b>-2,219</b>	<b>-1,110</b>	<b>-1,110</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>38</b>	<b>29</b>	<b>-53</b>	<b>82</b>

**POLICY, PLANNING & TRANSPORTATION DEPARTMENT**  
**Revenue Budget as at 30th September 2011**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend) £'000
<b>Expenditure</b>				
Employees	6,244	3,166	3,115	51
Other Premises	278	156	139	17
Hired & Contracted Services	557	160	138	22
Supplies & Services	372	164	146	18
Street Lighting	1,733	691	698	(7)
Highways Maintenance	2,364	910	904	6
Bridges	89	20	13	7
Fleet Transport	1,322	656	671	(15)
Lease Car Contracts	786	641	641	0
Bus Support – Halton Hopper Tickets	163	78	82	(4)
Bus Support	703	234	234	0
Out of Borough Transport	51	21	15	6
Finance Charges	358	311	311	0
Grants to Voluntary Orgs	83	41	41	0
NRA Levy	60	30	30	0
<b>Total Expenditure</b>	<b>15,163</b>	<b>7,279</b>	<b>7,178</b>	<b>101</b>
<b>Income</b>				
Sales	-247	-153	-160	7
Planning Fees	-416	-166	-195	29
Building Control Fees	-182	-91	-120	29
Other Fees & Charges	-486	-229	-303	74
Rents	-14	-7	-7	0
Grants & Reimbursements	-504	-200	-210	10
School SLAs	-27	0	0	0
Recharge to Capital	-359	-29	-29	0
Contribution from Reserves	-73	-34	-40	6
Total Income	-2,308	-909	-1,064	155
<b>Net Controllable Expenditure</b>	<b>12,855</b>	<b>6,370</b>	<b>6,114</b>	<b>256</b>
<b>Recharges</b>				
Premises Support	810	207	207	0
Transport Recharges	461	230	214	16
Asset Charges	8,748	0	0	0
Central Support Recharges	2,606	854	854	0
Departmental Support Rchgs	352	1	1	0
Support Recharges Income – Transport	-3,896	-1,959	-1,939	(20)
Support Recharges Income – Non Transport	-3,577	-866	-866	0
<b>Net Total Recharges</b>	<b>5,504</b>	<b>-1,533</b>	<b>-1,529</b>	<b>(4)</b>
<b>Net Departmental Total</b>	<b>18,359</b>	<b>4,837</b>	<b>4,585</b>	<b>252</b>

**LEGAL & DEMOCRATIC SERVICES DEPARTMENT**  
**Revenue Budget as at 30<sup>th</sup> September 2011**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend) £'000
<b>Expenditure</b>				
Employees	2,151	1,093	1,084	9
Supplies & Services	440	247	228	19
Civic Catering & Functions	59	20	14	6
Legal Expenses	246	142	135	7
<b>Total Expenditure</b>	<b>2,896</b>	<b>1,502</b>	<b>1,461</b>	<b>41</b>
<b>Income</b>				
Land Charges	-96	-51	-51	0
School SLA's	-24	0	0	0
License Income	-315	-139	-111	(28)
Print Unit Fee Income	-303	-151	-80	(71)
Government Grant	-34	-34	-34	0
Other Income	-73	-36	-10	(26)
Transfers from Reserves	-38	-38	-38	0
<b>Total Income</b>	<b>-883</b>	<b>-449</b>	<b>-324</b>	<b>(125)</b>
<b>Net Operational Expenditure</b>	<b>2,013</b>	<b>1,053</b>	<b>1,137</b>	<b>(84)</b>
<b>Recharges</b>				
Premises Support	485	213	211	2
Transport Recharges	39	20	19	1
Asset Charges	2	0	0	0
Central Support Recharges	708	354	354	0
Support Recharges Income	-2,239	-1,119	-1,119	0
<b>Net Total Recharges</b>	<b>-1,005</b>	<b>-532</b>	<b>-535</b>	<b>3</b>
<b>Net Departmental Total</b>	<b>1,008</b>	<b>521</b>	<b>602</b>	<b>(81)</b>

**FINANCE DEPARTMENT**  
**Revenue Budget as at 30<sup>th</sup> September 2011**

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<b><u>Expenditure</u></b>				
Employees	7,602	3,691	3,705	(14)
Supplies & Services	384	243	230	13
Other Premises	122	90	44	46
Agency Related	1	0	1	(1)
Insurances	2,001	1,406	1,398	8
Charitable Relief	103	0	0	0
Concessionary Travel	2,236	932	931	1
Council Tax Benefits	11,194	11,121	11,121	0
Rent Allowances	47,590	24,330	24,330	0
Non HRA Rebates	101	34	34	0
<b>Total Expenditure</b>	<b>71,334</b>	<b>41,847</b>	<b>41,794</b>	<b>53</b>
<b><u>Income</u></b>				
Fees & Charges	-41	-20	-39	19
SLA to Schools	-1,126	-644	-644	0
NNDR Administration Grant	-169	0	0	0
Hsg Ben Administration Grant	-1,346	-336	-337	1
Rent Allowances	-46,992	-25,047	-25,047	0
Council Tax Benefits Grant	-11,060	-5,597	-5,597	0
Other Grants & Reimbursements	-799	-586	-599	13
Liability Orders	-345	-172	-179	7
Non HRA Rent Rebates	-101	-44	-44	0
<b>Total Income</b>	<b>-61,979</b>	<b>-32,446</b>	<b>-32,486</b>	<b>40</b>
<b>Net Controllable Expenditure</b>	<b>9,355</b>	<b>9,401</b>	<b>9,308</b>	<b>93</b>
<b><u>Recharges</u></b>				
Premises	367	165	190	(25)
Transport	88	44	43	1
Asset Charges	469	165	165	0
Central Support Service	1,062	530	531	(1)
Support Service Income	-6,460	-3,229	-3,229	0
<b>Net Total Recharges</b>	<b>-4,474</b>	<b>-2,325</b>	<b>-2,300</b>	<b>(25)</b>
<b>Net Department Total</b>	<b>4,881</b>	<b>7,076</b>	<b>7,008</b>	<b>68</b>

**ICT AND SUPPORT SERVICES DEPARTMENT**  
**Revenue Budget as at 30<sup>th</sup> September 2011**

	Annual Budget	Budget to Date	Actual to Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<b><u>Expenditure</u></b>				
Employees	6,142	3,066	2,940	126
Supplies & Services	1,066	479	399	80
Computer Repairs & Software	450	285	360	(75)
Communications Costs	135	68	186	(118)
Other Premises	0	0	0	0
Other Transport	3	1	0	1
<b>Total Expenditure</b>	<b>7,796</b>	<b>3,899</b>	<b>3,885</b>	<b>14</b>
<b><u>Income</u></b>				
Fees & Charges	-3	-1	-1	0
Reimbursements & Other Income	-60	0	-1	1
Internal Billing	-97	-10	-17	7
SLA to Schools	-110	0	0	0
<b>Total Income</b>	<b>-270</b>	<b>-11</b>	<b>-19</b>	<b>8</b>
<b>Net Controllable Expenditure</b>	<b>7,526</b>	<b>3,888</b>	<b>3,866</b>	<b>22</b>
<b><u>Recharges</u></b>				
Premises	197	95	95	0
Transport	34	17	22	(5)
Asset Charges	1,231	0	0	0
Central Support Services	1,106	553	553	0
Support Service Income	-9,935	-4,965	-4,965	0
<b>Net Total Recharges</b>	<b>-7,367</b>	<b>-4,300</b>	<b>-4,295</b>	<b>(5)</b>
<b>Net Department Total</b>	<b>159</b>	<b>-412</b>	<b>-429</b>	<b>17</b>

## APPENDIX 1 (continued)

## COMMUNITIES DIRECTORATE

## COMMUNITY &amp; ENVIRONMENT DEPARTMENT

## Revenue Budget as at 30 September 2011

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (overspend) £'000
<b><u>Expenditure</u></b>				
Employees	11,523	5,859	6,146	(287)
Other Premises	1,183	599	540	59
Supplies & Services	1,247	623	517	106
Book Fund	232	116	59	57
Promotional	153	76	101	(25)
Other Hired Services	936	425	411	14
Food Provisions	557	278	244	34
School Meals Food	1,689	516	478	38
Bar Provisions	329	162	203	(41)
Transport	30	15	23	(8)
Other Agency Costs	950	219	179	40
Waste Disposal Contracts	5,232	1,495	1,318	177
Leisure Management Contract	1,395	465	489	(24)
Capital Financing	84	0	0	0
<b>Total Expenditure</b>	<b>25,540</b>	<b>10,848</b>	<b>10,708</b>	<b>140</b>
<b><u>Income</u></b>				
Sales Income	-1,876	-987	-1,032	45
School Meals Sales	-2,128	-636	-658	22
Fees & Charges Income	-2,588	-1,389	-1,284	(105)
Rents Income	-83	-41	-20	(21)
Government Grant Income	-26	-53	-56	3
Reimbursements & Other Grant Income	-893	-240	-160	(80)
Schools SLA Income	-240	-32	-32	0
Internal Fees Income	-319	-160	-102	(58)
School Meals Other Income	-1,850	-156	-167	11
Transfer from Reserves	-35	0	0	0
Capital Salaries	-101	-25	-27	2
<b>Total Income</b>	<b>-10,139</b>	<b>-3,719</b>	<b>-3,538</b>	<b>(181)</b>
<b>Net Controllable Expenditure</b>	<b>15,401</b>	<b>7,129</b>	<b>7,170</b>	<b>(41)</b>
<b><u>Recharges</u></b>				
Premises Support	1,574	609	609	0
Transport Recharges	2,155	992	992	0
Departmental Support Services	87	29	29	0
Central Support Services	3,901	1,331	1,331	0
Asset Charges	2,399	0	0	0
HBC Support Costs Income	-329	-63	-63	0
<b>Net Total Recharges</b>	<b>9,787</b>	<b>2,898</b>	<b>2,898</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>25,188</b>	<b>10,027</b>	<b>10,068</b>	<b>(41)</b>

**PREVENTION & ASSESSMENT DEPARTMENT**  
**Revenue Budget as at 30th September 2011**

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<b><u>Expenditure</u></b>				
Employees	7,682	3,582	3,511	71
Other Premises	67	24	18	6
Supplies & Services	696	486	512	(26)
Consumer Protection	443	222	218	4
Transport	144	71	62	9
Food Provision	19	10	2	8
Aids & Adaptations	113	37	46	(9)
Contribution to JES	231	0	0	0
Community Care:				
Residential & Nursing Care	9,448	3,970	4,465	(495)
Domiciliary & Supported Living	6,848	2,813	3,251	(438)
Direct Payments	2,463	1,264	1,229	35
Day Care	231	142	162	(20)
Other Agency	178	107	98	9
Contribution to Intermediate Care Pool	2,516	1,285	1,244	41
<b>Total Expenditure</b>	<b>31,079</b>	<b>14,013</b>	<b>14,818</b>	<b>(805)</b>
<b><u>Income</u></b>				
Other Fees and Charges	-119	-46	-38	(8)
Sales Income	-76	-76	-75	(1)
Reimbursements and Other Grant Income	-448	-68	-92	24
Residential & Nursing Income	-3,521	-1,600	-1,648	48
Community Care Income	-709	-404	-432	28
Direct Payments Income	-82	-61	-69	8
Transfer from Reserves	-343	0	0	0
LD & Health Reform Allocation	-4,272	-4,653	-4,653	0
PCT Contribution to Care	-621	-182	-104	(78)
PCT Contribution to Service	-1,691	-1,023	-1,023	0
<b>Total Income</b>	<b>-11,882</b>	<b>-8,113</b>	<b>-8,134</b>	<b>21</b>
<b>Net Controllable Expenditure</b>	<b>19,197</b>	<b>5,900</b>	<b>6,684</b>	<b>(784)</b>
<b><u>Recharges</u></b>				
Premises Support	336	106	106	0
Asset Charges	160	0	0	0
Central Support Services	2,727	877	877	0
Internal Recharge Income	-420	0	0	0
<b>Total Recharges</b>	<b>2,803</b>	<b>983</b>	<b>983</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>22,000</b>	<b>6,883</b>	<b>7,667</b>	<b>(784)</b>

**COMMISSIONING & COMPLEX CARE DEPARTMENT**  
**Revenue Budget as at 30<sup>TH</sup> September 2011**

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<b><u>Expenditure</u></b>				
Employees	6,681	3,602	3,608	(6)
Other Premises	320	199	207	(8)
Supplies & Services	4,547	702	695	7
Contracts & SLA's	548	43	41	2
Transport	295	133	111	22
Emergency Duty Team	103	26	18	8
Community Care:				
Residential & Nursing Care	806	362	304	58
Community – Home Care	359	145	114	31
Direct Payments	144	87	96	(9)
Block Contracts	174	93	87	6
In-House Day Care	23	8	5	3
Food Provision	35	18	8	10
Other Agency Costs	564	255	265	(10)
Payments To Providers	4,216	2,096	2,089	7
Grants To Voluntary Organisations	270	133	135	(2)
<b>Total Expenditure</b>	<b>19,085</b>	<b>7,902</b>	<b>7,783</b>	<b>119</b>
<b><u>Income</u></b>				
Residential & Nursing Fees	-68	-31	-32	1
Direct Payment Charges	-3	-2	-3	1
Community Care Income	-4	-1	-5	4
Sales & Rents Income	-182	-132	-127	(5)
Fees & Charges	-387	-150	-146	(4)
PCT Reimbursements : Care	-202	-51	-51	0
PCT Reimbursements :Service	-1918	-993	-1,000	7
Transfer from Reserve	-1,151	0	0	0
Reimbursements	-288	-168	-145	(23)
Government Grant Income	-292	-165	-169	4
<b>Total Income</b>	<b>-4,495</b>	<b>-1,693</b>	<b>-1,678</b>	<b>(15)</b>
<b>Net Controllable Expenditure</b>	<b>14,590</b>	<b>6,209</b>	<b>6,105</b>	<b>104</b>
<b><u>Recharges</u></b>				
Premises Support	506	179	179	0
Asset Charges	406	0	0	0
Central Support Services	2,242	682	682	0
Transport	449	132	132	0
Internal Recharge Income	-88	0	0	0
<b>Net Total Recharges</b>	<b>3,515</b>	<b>993</b>	<b>993</b>	<b>0</b>
<b>Net Departmental Total</b>	<b>18,105</b>	<b>7,202</b>	<b>7,098</b>	<b>104</b>



## APPENDIX 1 (continued)

## CORPORATE AND DEMOCRACY

Revenue Budget as at 30<sup>th</sup> September 2011

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (overspend)
	£'000	£'000	£'000	£'000
<b><u>Expenditure</u></b>				
Employees	309	161	167	(6)
Interest Payments	4,201	930	436	494
Contribution to Reserves	300	0	0	0
Members Allowances	752	376	370	6
Supplies & Services	368	103	101	2
Contingency	743	0	0	0
Priorities Fund	109	0	0	0
Precepts & Levies	165	0	0	0
Capital Financing	2,073	0	0	0
Bank Charges	38	12	11	1
Audit Fees	297	49	51	(2)
Transfer to Reserves	0	0	1,000	(1,000)
<b>Total Expenditure</b>	<b>9,355</b>	<b>1,631</b>	<b>2,136</b>	<b>(505)</b>
<b><u>Income</u></b>				
External Interest	-219	-139	-218	79
Transfers from Reserves	-1,000	0	0	0
Grants	-2,708	-2,077	-2,077	0
Fees & Charges	0	0	-1	1
Reimbursements & Other Grants	0	0	-71	71
Dividends Receivable	-100	0	0	0
<b>Total Income</b>	<b>-4,027</b>	<b>-2,216</b>	<b>-2,367</b>	<b>151</b>
<b>Net Controllable Expenditure</b>	<b>5,328</b>	<b>-585</b>	<b>-231</b>	<b>(354)</b>
<b><u>Recharges</u></b>				
Premises Support	75	38	38	0
Transport Recharges	8	4	6	(2)
Central Support Recharges	2,400	1,199	1,199	0
Support Service Income	-18,902	-180	-180	0
<b>Net Total Recharges</b>	<b>-16,419</b>	<b>1,061</b>	<b>1,063</b>	<b>(2)</b>
<b>Net Total Expenditure</b>	<b>-11,091</b>	<b>476</b>	<b>832</b>	<b>(356)</b>



Capital Expenditure to 30<sup>th</sup> September 2011

Directorate/Department	Actual Expenditure to Date £'000	2011/12 Cumulative Capital Allocation			Capital Allocation 2012/13 £'000	Capital Allocation 2013/14 £'000
		Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £000		
<b><u>Children and Enterprise Directorate</u></b>						
<b>Schools Related</b>						
Asset Management Data	1	2	5	15	0	0
Fire Compartmentation	14	15	40	55	0	0
Capital Repairs	788	788	1,200	1,564	0	0
Asbestos Management	3	4	15	30	0	0
Schools Access Initiative	76	76	100	150	0	0
Aiming Higher for Disabled Children	0	0	14	19	0	0
Education Programme (General)	42	42	100	258	0	0
All Saints Upon Primary School	9	16	59	59	0	0
Our Lady Mother of the Saviour Primary	80	80	80	80	0	0
Palacefields Primary School	0	8	18	21	0	0
Moore Primary School	0	4	4	4	0	0
Ashley Special School	24	24	24	30	0	0
Short Breaks for Disabled Children	0	0	0	242	0	0
Harnessing Technologies	0	0	29	39	0	0
Basic Need Projects	0	0	0	1,690	0	0
Childrens Centres	2	26	57	124	0	0
Wade Deacon High School	5,456	6,375	9,563	12,750	15,550	0
The Grange School	0	0	0	0	1,900	0

Directorate/Department	Actual Expenditure to Date £'000	2011/12 Cumulative Capital Allocation			Capital Allocation 2012/13 £'000	Capital Allocation 2013/14 £'000
		Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £000		
<b>Employment, Econ Regeneration &amp; Business Development</b>						
Castlefields Regeneration	146	146	1354	4,328	584	0
3MG	81	81	90	105	0	0
Widnes Waterfront	149	149	177	177	500	0
The Hive	1,887	1,533	8,018	8,018	0	0
Bayer	0	0	50	174	600	0
Queens Hall	0	50	75	100	0	0
Property Purchases	5	10	40	40	0	0
Municipal Building	249	225	255	255	38	0
Runcorn Market Building	40	45	319	750	0	0
Disability Discrimination Act	33	45	195	300	300	300
<b>Total Children and Enterprise</b>	<b>9,085</b>	<b>9,744</b>	<b>21,881</b>	<b>31,377</b>	<b>19,472</b>	<b>300</b>

Directorate/Department	Actual Expenditure to Date £'000	2011/12 Cumulative Capital Allocation			Capital Allocation 2012/13 £'000	Capital Allocation 2013/14 £'000
		Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £000		
<b><u>Communities Directorate</u></b>						
<b>Community &amp; Environment</b>						
Stadium Minor Works	34	7	7	30	30	30
Children's Playground Equipment	1	2	22	75	65	65
Landfill Tax Credit Schemes	0	170	255	340	340	340
Arley Drive	105	90	98	114	0	0
The Glen	33	32	32	32	0	0
Crow Wood Park	16	9	9	9	0	0
Open Spaces	0	15	105	150	150	0
Runcorn Cemetery Extension	16	12	75	256	55	0
Installation of Multi Use Games Areas	76	50	75	107	0	0
Improvements to Allotments	6	6	6	6	0	0
Runcorn Town Hall Park	4	11	21	127	0	0
Wheeled Bins	0	0	10	20	20	20
<b>Commissioning &amp; Complex Care</b>						
Grants for Renovation/Home Repairs	61	60	60	214	0	0
Grants for Disabled Facilities	320	320	500	660	0	0
Energy Promotion	0	0	0	6	0	0
Joint Funding RSL Adaptations	204	205	350	560	0	0
Modular Buildings	0	0	15	27	0	0
Stair Lifts	126	125	175	200	0	0
Extra Care Housing	0	0	0	463	0	0
Choice Based Lettings	0	13	13	40	0	0
Out of Borough Placements	0	0	0	464	0	0
User Led Adaptations	0	0	10	55	0	0
Adult Programme	0	0	0	0	335	0
<b>Prevention &amp; Assessment</b>						
Re-design Oakmeadow	10	10	14	50	0	0
<b>Total Communities Directorate</b>	<b>1,012</b>	<b>1,137</b>	<b>1,852</b>	<b>4,005</b>	<b>995</b>	<b>455</b>

Directorate/Department	Actual Expenditure to Date £'000	2011/12 Cumulative Capital Allocation			Capital Allocation 2012/13 £'000	Capital Allocation 2013/14 £'000
		Quarter 2 £'000	Quarter 3 £'000	Quarter 4 £000		
<b>Policy &amp; Resources Directorate</b>						
<b>ICT &amp; Support Services</b>						
ICT Rolling Programme	227	562	843	1,124	1,100	1,100
<b>Policy, Planning &amp; Transportation</b>						
<b>Local Transport Plan</b>						
Bridge Maintenance	665	655	1,037	1,415	600	600
Silver Jubilee Bridge Major Maint.	309	319	2,313	3,500	3,495	3,711
Highway Maintenance	614	595	1,070	1,483	1,478	1,360
Integrated Transport	45	83	263	535	560	560
Network Mgmt & Street Lighting	16	42	108	145	165	165
Flood Defence	0	30	60	106	0	0
Street Lighting Structural Maintenance	59	90	150	200	200	200
Pot Hole Repairs	37	150	220	348	0	0
Risk Management	0	40	100	120	120	120
Fleet Replacements	270	268	352	370	0	0
<b>Mersey Gateway</b>						
Early Land Acquisition	2,965	5,842	16,450	28,070	21,388	7,318
Development Costs	0	2,076	2,796	5,000	5,000	0
<b>Section 106 Schemes</b>						
B&Q Site – Public Transport	0	0	20	39	13	0
Asda - Runcorn	0	0	20	60	105	0
<b>Partnership Scheme</b>						
Growth Point	131	642	642	642	0	0
<b>Total Policy &amp; Resources</b>	<b>5,338</b>	<b>11,394</b>	<b>26,444</b>	<b>43,157</b>	<b>34,224</b>	<b>15,134</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>15,435</b>	<b>22,275</b>	<b>50,177</b>	<b>78,539</b>	<b>54,691</b>	<b>15,889</b>
Slippage (20%)				-15,708	-10,938	-3,178
					15,708	10,938
<b>TOTAL</b>	<b>15,435</b>	<b>22,275</b>	<b>50,177</b>	<b>62,831</b>	<b>59,461</b>	<b>23,649</b>

**REPORT TO:** Executive Board

**DATE:** 3 November 2011

**REPORTING OFFICER:** Strategic Director – Children and Enterprise

**SUBJECT:** Basic Need Capital Allocation 2011/12

**WARDS:** Boroughwide

## **1.0 PURPOSE OF THE REPORT**

1.1 This report is an update to the report presented to the Board on the 14<sup>th</sup> July 2011 on the basic needs capital allocation 2011/2012. It outlines the details of the capital projects to be funded from the Basic Need Capital allocation 2011/12 and seeks approval of Executive Board to proceed with the projects as outlined below.

## **2.0 RECOMMENDATION:**

- 1) **To agree the proposals to be funded from Basic Need Capital allocation;**
- 2) **To recommend submission to Full Council for approval of the projects.**

## **3.0 SUPPORTING INFORMATION**

- 3.1 In December 2010 the Department for Education announced the schools capital grant allocations for 2011/12 which included an allocation of £1,689,618 for Basic Need.
- 3.2 At the Executive Board meeting on 14<sup>th</sup> July 2011 approval was given for the development of capital projects to address basic need at Windmill Hill Primary School, Weston Primary School, Lunts Heath Primary School and St Bede's Catholic Infant and Junior Schools.
- 3.3 The Department for Education has allocated each local authority funding to address basic need. This funding has been allocated in recognition of the significant pressures local authorities are facing to provide additional school places, particularly in the primary sector. The additional pressure on primary places is largely as a result of the rising birth rates and the changed migration patterns.
- 3.4 Each LA has the responsibility for ensuring sufficient school places in its area and is required to consider all sectors of schools in prioritising this funding. All taxpayer-funded schools within each local authority are eligible

for consideration; this includes voluntary-aided schools, open academies and new Free Schools where there are basic need pressures.

3.5 Following Executive Board on 14<sup>th</sup> July 2011 meetings have been held with the schools and the position is summarised as follows:

3.5.1 Windmill Hill Primary School

The numbers on roll at Windmill Hill Primary School have been increasing in recent years and the school is now exceeding its current capacity in a number of year groups. The impact on the school will continue to worsen as the small current years 5 and 6 leave. In the short term there is an immediate need to address the current shortage of classrooms by providing an additional classroom for the current capacity of 147 pupils and then to increase capacity to 175 pupils by the provision of a further classroom to address future demand. Estimated cost £352,378.

3.5.2 Weston Primary School

This school accommodation has been rationalised over time to reduce the admission number from 30 to 15, as in previous years the school suffered from surplus capacity. Therefore it is possible to increase the school capacity from 105 to 140 by bringing back into use two classrooms without significant building works being required. Estimated cost £30,000.

3.5.3 Lunts Heath Primary School

Lunts Heath Primary School is undersized for the number of pupils currently on role. The current pupil numbers already place a significant strain on the schools accommodation and organisation and it is expected that this will worsen as the smaller current years 5 and 6 leave and with higher numbers admitted. A proposal to increase the capacity from 315 to 350 pupils would require two additional classrooms with the need also to increase the size of the hall which is considerably undersized for current pupil numbers. Estimated cost £772,650.

3.5.4 St Bede's Catholic Infant School and St Bede's Catholic Junior School

These are two catholic voluntary aided schools. In Widnes East this type of provision is extremely limited with all VA schools in Widnes East being at or near capacity and with the lower years currently exceeding capacity in all schools. This shortfall of catholic provision is an area of concern and has been subject to discussion with the Liverpool Archdiocese. A proposal to increase the planned admission number from 60 to 75 pupils will require two additional classrooms in the Infants School as a first priority and two additional classrooms in the Junior School at a later stage as a Phase 2 of works. It is expected the local authority will receive further Basic Need



capital funding for 2012/13 which will fund the Phase 2 works (estimated cost £450,000). Estimated cost of Phase 1 works £550,000.

#### **4.0 POLICY IMPLICATIONS**

The school building projects will allow the Council to continue to meet its requirement to enhance the learning environment in schools and provide sufficient accommodation for increased pupil numbers by the creation of 29 additional places at reception age.

#### **5.0 OTHER IMPLICATIONS**

- 5.1 The school building projects to be funded from the capital programme will contribute to Halton's Carbon Management Programme by producing more energy efficient buildings.

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **6.1 Children and Young People in Halton**

The capital programme will address the demand for pupil places by creating 29 additional pupil places and by addressing suitability issues within school buildings and will improve the learning environment for children and young people.

##### **6.2 Employment, Learning and Skills in Halton**

N/A.

##### **6.3 A Healthy Halton**

N/A

##### **6.4 A Safer Halton**

N/A

##### **6.5 Halton's Urban Renewal**

The capital programme will ensure that there are sufficient pupil places across the authority.

#### **7.0 FINANCIAL IMPLICATIONS**

- 7.1 The Basic Need capital allocation of £1,689,618 will be used to fund the works detailed above. It will be necessary to use the Basic Need capital allocation for 2012/13 to fund the Phase 2 works at St Bedes Junior School. Although schools prioritised for capital development will be asked to make a contribution towards the project as their devolved capital

allocation has been reduced by the DFE the sum each school can contribute is likely to be very limited.

**8.0 RISK ANALYSIS**

There are no risks associated with the recommendations put forward by this paper.

**9.0 EQUALITY AND DIVERSITY ISSUES**

9.1 Consideration to access issues is given in all building projects. The capacity of schools to meet the needs of children with more complex needs and disabilities will be developed further through building works at schools.

**10.0 REASON FOR DECISION**

10.1 To deliver and implement the basic need capital programmes.

**11.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

11.1 Alternative solutions to providing additional classroom accommodation within these schools were considered and discussed with schools.

**12.0 IMPLEMENTATION DATE**

12.1 Basic Need capital funding is available from 1 April,2011 and as it is delivered to LAs as unringfenced capital grant there is no time constraint on the spend.

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

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Schools Announcement – DCSF 13/12/2010	Capital Transforming Environments – Dee 2 – Grosvenor Runcorn	Childrens House Phil Dove

**REPORT TO:** Executive Board Sub-Committee

**DATE:** 3<sup>rd</sup> November 2011

**REPORTING OFFICER:** Operational Director – Finance

**TITLE:** Treasury Management 2011/12  
Mid Year Review

### **1.0 PURPOSE OF REPORT**

1.1 The purpose of the report is to update the Sub-Committee about activities undertaken at the mid-year point of 2011/12 as required by the Treasury Management Policy.

**2.0 RECOMMENDED: That Council be recommended to approve the revised Prudential Indicators and the increase in counterparty limits for Lloyds/TSB and Royal Bank of Scotland.**

### **3.0 SUPPORTING INFORMATION**

3.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operation is to ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity before considering investment return.

3.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives

3.3 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised November 2009) was adopted by full Council on 3<sup>rd</sup> March 2010.

3.4 The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.

2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report (stewardship report) covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Executive Board Sub-Committee.

3.5 This mid year report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- An economic update for the first six months of 2011/12;
- A review of the Treasury Management Strategy Statement (TMSS) and Annual Investment Strategy (AIS);
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2011/12;
- A review of the Council's borrowing strategy for 2011/12;
- A review of any debt rescheduling undertaken during 2011/12;
- A review of compliance with Treasury and Prudential Limits for 2011/12.

#### **4.0 KEY CHANGES TO THE TREASURY AND CAPITAL STRATEGIES**

4.1 There have been no material changes to the treasury or capital strategies for the first 6 months of 2011/12.

#### **5.0 ECONOMIC UPDATE**

5.1 Global economy

The Euro zone sovereign debt crisis continued with Spain, and particularly Italy, being the focus of renewed market concerns that they may soon join with Greece, Ireland and Portugal in needing assistance. This uncertainty and the lack of a co-ordinated or credible euro zone response, left commentators concerned over the potential impact of sovereign default and the resulting effect on the euro zone banking sector.

The approval by various countries of the £440bn bail out fund in September has brought temporary relief to financial markets but this does not provide a credible remedy to the scale of the Greek debt problem or the sheer magnitude of the potential needs of other countries for support.

This, coupled with political difficulties in the US over their plans to address the budget deficit, the size and control over the US sovereign debt, and the subsequent loss of the AAA credit rating from Standard and Poors, has led to a much more difficult and uncertain outlook for the world economy.

Growth prospects in the US, UK and the euro zone have been lower than expected, with future prospects similarly cut. Whilst not a central view, concerns of a double dip recession in some Western countries have increased. World stock markets fell in the second quarter of 2011/12 as a consequence.

### 5.2 UK economy

Following zero growth in the final half of 2010/11 the UK economy grew by a weaker than expected 0.2% in the first quarter of 2011/12, providing a knock on effect to future growth prospects. Growth prospects will be governed by UK consumer sentiment, which is currently subdued due to falling disposable income. Higher VAT, overhanging debt, high inflation and concerns over employment are likely to weigh heavily on consumers into the future.

Inflation remains stubbornly high, although the expectation of future falls, the external nature of the price increases (energy, oil, food etc.), and the negative impact a rate rise would have on the UK economy, is likely to stop the Monetary Policy Committee from raising the Bank Rate for some considerable time to come. An indicator of the worsening position arose from the Monetary Policy Committee minutes recently signalling a greater willingness to expand the quantitative easing programme

International investors continue to view UK government gilts as being a safe haven from the EU sovereign debt crisis. The consequent increase in demand for gilts has helped to add downward pressure on gilt yields and sent PWLB borrowing rates to low levels.

### 5.3 Outlook for the next six months of 2011/12

There remain huge uncertainties in economic forecasts due to the following major difficulties:

- the speed of economic recovery in the UK, US and EU;

- the likely political gridlock in the US preventing significant government fiscal action to boost growth ahead of the Presidential elections in November 2012;
- the potential for a major EU sovereign debt crisis which could have a significant impact on financial markets and the global and UK economy;
- the degree to which government austerity programmes will dampen economic growth;
- the potential for more quantitative easing, and the timing of this in both the UK and US;
- the speed of recovery of banks' profitability and balance sheet imbalances;

The overall balance of risks is weighted to the downside:

- The expectations are low and modest growth in the UK to continue, with a low Bank Rate to continue for at least 12 months, coupled with a possible extension of quantitative easing. This will keep investment returns depressed.
- The expected longer run trend for PWLB borrowing rates is for them to rise, primarily due to the need for a high volume of gilt issuance in the UK, and the high volume of debt issuance in other major western countries. However the current safe haven status of the UK may continue for some time, postponing any increases until 2012.

#### 5.4 Economic Forecast

The following forecast has been provided by Sector:

	NOW	Dec11	Mar12	Jun12	Sep12	Dec12	Mar13	Jun13	Sep13	Dec13	Mar14	Jun14
<b>Sectors Bank Rate View</b>	<b>0.50%</b>	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	1.00%	1.25%	1.50%
<b>5yr PWLB</b>	<b>2.30%</b>	2.30%	2.30%	2.30%	2.30%	2.40%	2.50%	2.60%	2.70%	2.80%	2.90%	3.10%
<b>10yr PWLB</b>	<b>3.30%</b>	3.30%	3.30%	3.30%	3.40%	3.40%	3.50%	3.60%	3.70%	3.80%	4.00%	4.20%
<b>25yr PWLB</b>	<b>4.20%</b>	4.20%	4.20%	4.20%	4.30%	4.30%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%
<b>50yr PWLB</b>	<b>4.30%</b>	4.30%	4.30%	4.30%	4.40%	4.40%	4.50%	4.60%	4.70%	4.80%	4.90%	5.00%

## 6.0 **TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY UPDATE**

- 6.1 The Treasury Management Strategy Statement (TMSS) for 2011/12 was approved by full Council on 2<sup>nd</sup> March 2011.

## **7.0 THE COUNCIL'S CAPITAL POSITION (PRUDENTIAL INDICATORS)**

- 7.1 As part of the Councils ongoing requirement to report to members the current capital position, the Council is required to prepare prudential indicators and report on any significant variations to those set as part of the Treasury Management Strategy. These indicators can be found in Appendix One to this report.
- 7.2 The Capital Financing Requirement (CFR) has changed from £113.96m to £122.37m as a result of slippage in the 2010/11 programme. This has the effect of reducing the actual CFR and the underlying need to borrow in 2010/11 and increasing it in 2011/12. The overall result remains the same and does not increase the Councils overall borrowing requirement in 2011/12.
- 7.3 There are no expected material changes to the capital programme as set out in the original budget for the remainder of 2011/12.
- 7.4 The Operational Director - Finance reports that no difficulties are envisaged for the current or future years in complying with any of the prudential indicators.

## **8.0 INVESTMENT AND BORROWING PORTFOLIO**

### Investments

- 8.1 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. It is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.5% Bank Rate.
- 8.2 The continuing euro zone sovereign debt crisis, and its potential impact on banks, prompts a low risk and short term strategy. Given this risk adverse environment, investment returns are likely to remain low.
- 8.3 The Council held £52.8m of investments as at 30<sup>th</sup> September 2011 (£9.55m at 31 March 2011) and the investment portfolio yield for the first six months of the year is 1.125% against a benchmark of 3-month LIBID at 0.60%.
- 8.4 The Operational Director – Finance confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2011/12.
- 8.5 The forecast income and outturn for the first six months of 2011/12 is £0.218m when compared with a budget of £0.037m at the half year stage. This is due to the management of cash deposits around the

planned delivery of the capital programme and most notably the acquisition of land for the Mersey Gateway project.

- 8.6 The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

#### New Borrowing

- 8.7 The Council's capital financing requirement (CFR) for 2011/12 was set at £113.96m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.
- 8.8 Due to the overall financial position and the underlying need to borrow for capital purposes, new external borrowing of £33.0m was undertaken from the PWLB / market as follows:

Source	Value (£m)	Rate (%)	Date	Period
PWLB	10,000	2.21	07/04/2011	18 months
Market	3,000	1.50	06/04/2011	12 months
Market	7,000	1.50	07/04/2011	12 months
Market	8,000	0.85	14/07/2011	12 months
Market	5,000	1.35	25/08/2011	24 months
<b>Total</b>	<b>33,000</b>			

It is anticipated that further borrowing will be undertaken during this financial year to support the capital programme.

#### **9.0 COUNTERPARTY LIMITS**

- 9.1 The recent credit downgrading of many well know UK high street banks has reduced the Council's ability to select an appropriate counterparty who is not exposed to current market conditions.
- 9.2 The Council has scaled back its investment terms to 3 months for all counterparties who are not backed by UK Government. This will have a direct impact on the interest income it expects to receive during 2011/12. The Council's key priority is security of funds deposited in exchange for interest foregone.
- 9.3 As a consequence of delays in the capital programme, and in particular the Mersey Gateway project, more investments are being held with UK backed LloydsTSB and the Royal Bank of Scotland (RBS). With potential further delays likely combined with advanced borrowing where beneficial, it is recommended to increase the counterparty limits of LloydsTSB and RBS as follows:



	Current		Revised	
	<3months	>3months	<3months	>3months
LloydsTSB	£20million	£15million	£30million	£20million
RBS	£20million	£15million	£30million	£20million

9.4 The counterparty limits will be reviewed and adjusted where appropriate in the Treasury Management Strategy 2012/13.

## **10.0 DEBT RESCHEDULING**

10.1 No debt rescheduling was undertaken during the first six months of 2011/12.

## **11.0 POLICY IMPLICATIONS**

11.1 None

## **12.0 OTHER IMPLICATIONS**

12.1 None

## **13.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **13.1 Children and Young People in Halton**

None

### **13.2 Employment, Learning and Skills in Halton**

None

### **13.3 A Healthy Halton**

None

### **13.4 A Safer Halton**

None

### **13.5 Halton's Urban Renewal**

None

## **14.0 RISK ANALYSIS**

14.1 The main risks with Treasury Management are security of investment and volatility of return. To combat this, the Authority operates within a clearly defined Treasury Management Policy and annual borrowing and investment strategy, which sets out the control framework

**15.0 EQUALITY AND DIVERSITY ISSUES**

15.1 There are no issues under this heading.

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

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

## APPENDIX ONE

**HBC Treasury Management Prudential and Treasury Management  
Indicators 2011/12 to date**

		Original	Revised
<b>Prudential Indicators</b>			
Total capital expenditure	£m	80.56	78.54
Capital Financing Requirement (CFR) 2010/11	£m	86.11	<b>76.10</b>
Capital Financing Requirement (CFR) 2011/12	£m	113.96	<b>122.37</b>
<b>Treasury Management</b>			
Adopted CIPFA Code of Practice for Treasury management		yes	yes
Authorised limit for external debt	£m	92.00	92.00
Operational boundary for external debt	£m	82.00	82.00

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**REPORT TO:** Executive Board

**DATE:** 1st December 2011

**REPORTING OFFICER:** Operational Director – Finance

**SUBJECT:** Determination of Council Tax Base

**WARD(S):** Borough-wide

## 1.0 PURPOSE OF REPORT

- 1.1 There is a requirement for the Council to determine the 'Tax Base' for its area and also the tax base for each of the Parishes.
- 1.2 It is required to notify the figure to the Cheshire Fire Authority, the Cheshire Police Authority and the Environment Agency by 31st January 2012. The Council is also required to calculate and advise if requested, the Parish Councils of their relevant tax bases.

## 2.0 RECOMMENDED: That

- (1) **The Executive Board recommend to the Council that the 2012/13 Council Tax Base be set at 38,200 for the Borough, and that the Cheshire Fire Authority, the Cheshire Police Authority, and the Environment Agency be so notified; and**
- (2) **The Executive Board recommend to the Council that the Council Tax Base for each of the Parishes be set as follows:**

Parish	Tax Base
Hale	729
Halebank	590
Daresbury	146
Moore	345
Preston Brook	347
Sandymoor	985

## 3.0 SUPPORTING INFORMATION

### 3.1 The Tax Base

The 'Tax Base' is the measure used for calculating the council tax and is used by both the billing authority (the Council) and the major precepting authorities (the Cheshire Fire Authority and the Cheshire Police Authority), in the calculation of their council tax requirements.

The tax base figure is arrived at in accordance with a prescribed formula, and represents the estimated full year number of chargeable dwellings in the Borough, expressed in terms of the equivalent of Band 'D' dwellings.

**3.2 The Council Tax Base for 2012/13**

The tax base is calculated using the number of dwellings included in the Valuation List, as provided by the Listing Officer, as at 12th September 2011. Adjustments are then made to take into account the estimated number of discounts, voids, additions and demolitions during the period 12th September 2011 to 31st March 2012.

An estimated percentage collection rate is then applied to the product of the above calculation to arrive at the tax base for the year.

Taking account of all the relevant information and applying a 99% collection rate, the calculation for 2012/13 gives a tax base figure of 38,200 for the Borough as a whole.

The appropriate tax base figure for each of the Parishes is as follows:

Parish	Tax Base
Hale	<b>729</b>
Halebank	<b>590</b>
Daresbury	<b>146</b>
Moore	<b>345</b>
Preston Brook	<b>347</b>
Sandymoor	<b>985</b>

**4.0 POLICY AND OTHER IMPLICATIONS**

4.1 There are no direct policy or other implications arising from this report.

**5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

**5.1 Children and Young People in Halton**

There are no direct implications arising from this report

**5.2 Employment, Learning and Skills in Halton**

There are no direct implications arising from this report

**5.3 A Healthy Halton**

There are no direct implications arising from this report

**5.4 A Safer Halton**

There are no direct implications arising from this report

**5.5 Halton's Urban Renewal**

There are no direct implications arising from this report

**6.0 RISK ANALYSIS**

6.1 Loss of income to the Council if Council Tax Base not agreed.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 There are no direct implications arising from this report

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

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Working Papers	Kingsway House	P. McCann

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