

## APPENDIX 1

### **Extracts of Executive Board and Executive Board Sub Committee Minutes that are relevant to the Corporate Policy and Performance Board**

---

#### **EXECUTIVE BOARD MEETING HELD ON 22 SEPTEMBER 2011**

<b>43</b>	<b>POLLING DISTRICTS POLLING STATIONS REVIEW</b>
-----------	--

The Board considered a report of the Strategic Director, Policy and Resources which informed Members of the results of the formal Polling District, Places and Stations Review.

The Board was reminded that the Electoral Administration Act 2006 required Councils to carry out a review of its polling stations every four years. The main purpose of this was to ensure that all residents had reasonable facilities for voting.

As part of the review process, electors, Councillors and other interested parties had to be consulted. Responses to the consultation exercise were considered by the cross-party Polling Station Review Working Party on 18 August 2011, and their recommendations were attached at Appendix 1.

RESOLVED: That Council be recommended to adopt the amendments to the scheme as detailed in Appendix 1 attached to the report, for the period 2011-2014.

<b>44</b>	<b>SPENDING AS AT 30 JUNE 2011</b>
-----------	------------------------------------

The Board considered a report of the Operational Director, Finance which summarised the overall revenue and capital spending position as at 30 June 2011. The report had been considered by the Executive Board Sub Committee at its meeting on 8 September 2011.

In overall terms, revenue expenditure was marginally below the budget profile, however, this was only a guide to eventual spending. It was noted that spending on employees was above the budget profile; this was primarily due to:

- the delay in negotiating new premium pay arrangements with the Unions;
- staff turnover was much reduced and lower than assumed in the budget; and

- spending on agency staff, overtime, casual staff and consultancy costs.

It was reported that steps had been taken to control spending in these areas. In addition, certain budgets savings approved for 2011/12 had yet to be achieved, premium/overtime (£750,000), street lighting on rural roads (£40,000) and running costs associated with asset disposals (£250,000).

Members were advised that the economic downturn was affecting income. A number of income budgets were below their profile including market rents, industrial estates rents, land charges, social care charges and licence fees. These budgets would be closely monitored during the year to ensure the overall budget was balanced.

With regard to capital spending, it was reported that spending to the 30<sup>th</sup> June 2011 totalled £7.5m, which was 75% of the planned spending of £9.9m at this stage. However, this only represented 12% of the total capital programme of £64.1m (which assumed a 20% slippage between years). Members were advised that the main areas of programme slippage to date were in respect of Castlefields Regeneration and the Local Transport Plan schemes.

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

The report also outlined the impact of the significant number of equal pay claims which had been lodged with the Council as part of the national single status agreement. A reserve had been established over recent years, which was now considered sufficient to meet the future cost of such claims.

RESOLVED: That

- 1) the action plan be approved; and
- 2) future monitoring reports be made quarterly to the Executive Board.

<b>45</b>	<b>DRAFT CORPORATE PLAN 2011-16</b>
-----------	-------------------------------------

The Board considered a report of the Strategic Director, Policy and Resources on the new Draft Halton Corporate Plan (the Plan) 2011-2016.

The Plan set out the goals the Council wanted to achieve to help build a better future for Halton; it redefined priorities and explained how resources would be deployed. The Plan also presented the Council's contribution to the delivery of the Sustainable Community Strategy (SCS) 2011-26, and concentrated on the challenge, priorities and achievements planned over the next five years.

The Board noted that the Plan would guide development of more detailed strategy and actions to be undertaken by the Council, and explained the steps the Council would take to deliver on both the Vision and the strategic priorities and key themes set out in the SCS. These themes were set out as:-

- A Healthy Halton
- Employment, Learning and Skills in Halton
- A Safer Halton
- Halton's Children and Young People
- Environment and Regeneration in Halton

An additional priority to the five contained in the SCS had been added:-

- Corporate Effectiveness and Efficient Service Delivery

This related specifically to the delivery of Council service delivery as distinct from the partnership objectives of the SCS.

RESOLVED: That

- 1) the Draft Plan be discussed in terms of the suggested areas of focus and activities under each thematic area; and
- 2) subject to any amendments required, Council be recommended to adopt the Draft Corporate Plan 2011-2026.

<b>46</b>	<b>REVISION OF THE PERFORMANCE MANAGEMENT FRAMEWORK</b>
-----------	---

The Board considered a report of the Strategic Director, Policy and Resources on the revision of the Performance Management Framework.

The Board was advised that changes to the National Performance Frameworks, such as the abolition of the National Indicator Set, the Local Area Agreement and the Comprehensive Area Assessments, had afforded the Council some degree of flexibility concerning the development of its future performance management arrangements. This reflected a transition away from performance

management by central government toward the authority being held account at a local level through the transparent provision of accessible performance data.

The consideration of future performance management and monitoring arrangements had run in tandem with the development of the revised Sustainable Community Strategy and Delivery Plan and the Corporate Plan for the period 2011-2016. These plans identified local priorities at a partnership and organisational level respectively, and worked to identify key performance measures and targets for each of the priority areas, now at an advanced stage.

The Board noted that a review of existing arrangements was undertaken which involved:

- Capturing the views of Lead and Senior Officers and Elected Members in a number of forums.
- A review of adopted practice elsewhere e.g. in other neighbouring Councils, Primary Care trusts and best practice in Local Government and the Private sector.
- Consideration of the potential requirements and expectations of local authority self-regulation.
- The ongoing need to ensure that available resources are being deployed to best effect in addressing strategic priorities of the Council.

The primary findings of the review and the future reporting arrangements were detailed in the report for Members' consideration.

**RESOLVED:** That the revised Performance Management Framework be approved as follows:

- 1) the development and use of a priority based performance report (as shown in the example) for each of the Council's six corporate priorities in 2012/13 for each Policy & Performance Board;
- 2) the presentation of Directorate Overview Reports on a quarterly basis and progress against the Corporate Plan on a six monthly basis for 2012/13; and
- 3) existing departmentally focused performance reports, developed for operational management purposes, continue to be made available to Members via the Council intranet, as advertised in the Members bulletin.

## **EXECUTIVE BOARD SUB COMMITTEE MEETING HELD ON 15 JULY 2011**

<b>21</b>	<b>FINANCIAL OUTTURN</b>
-----------	--------------------------

The Board considered a report which reported the final revenue and capital spending position for 2010/11.

The report advised that the final accounts for 2010/11 were now complete and the revenue spending position for each department, subject to external audit, was set out in the appendix to the report.

It was noted that the Council had closely monitored and controlled its spending throughout the year and total spending had a overall net underspend of £120,000 for the year.

In addition, the Board was advised that staffing expenditure was significantly below budget across the Council, as posts were held vacant in order to assist in meeting the underspend targets set for each Directorate. In the main these posts had now either been filled or been used as savings for the 2011/12 budget, and therefore the position was not likely to be repeated. The economic downturn continued to have an impact upon the Council's finances, with shortfalls in income in a number of areas.

With regard to the Council's Reserves and Balances these had been reviewed in accordance with the Reserves and Balances Strategy. Total revenue spending for the year was £120,000 below budget (compared to £489,000 in the previous year). However, during the year unexpected Area Based Grant income of £72,000 was received and therefore as a result the Council's General Balances now stood at £7,367,000, an increase of £192,000 from the previous year.

It was reported that during the year a target was set for each Directorate to underspend its budget by £0.5m in order to create a Transformation Fund of £2m. This had been achieved and the Fund was intended to meet these costs associated with the structural changes which the Council needed to make in order to balance its budget and shape the way it delivers services. In March 2011 redundancy costs totalling £738,000 had been met from the fund in 2010/11, leaving a balance of £1,262,000.

In addition, Members received a summary of capital spending against the 2010/11 Capital programme. It was noted that Capital spending totalled £43m which was £7.7m below the revised Capital programme of the £50.6m. The main areas of significant slippage were in respect of Landfill Tax Credits, Castlefields Regeneration and Widnes

Waterfront. The Capital Programme had been reviewed in line with the resolution regarding the proposed development of the former Runcorn market. Despite capital receipts not being generated as quickly as expected, funding up to £750,000 could be made available. However, further capital projects would need to have their own funding in place to be able to be incorporated in the Capital programme.

Arising from the discussion it was suggested that consideration be given to more regular financial report monitoring. It was agreed that this would be considered in consultation with the Resources portfolio holder.

RESOLVED: That the report be noted.

## **EXECUTIVE BOARD SUB COMMITTEE MEETING HELD ON 8 SEPTEMBER 2011**

<b>26</b>	<b>SPENDING AS AT 30 JUNE 2011</b>
-----------	------------------------------------

The Sub-Committee considered a report which summarised the overall revenue and capital spending position as at 30<sup>th</sup> June 2011.

In overall terms, revenue expenditure was marginally below the budget profile, however, this was only a guide to eventual spending. It was noted that spending on employees was above the budget profile; this was primarily due to:

- the delay in negotiating new premium pay arrangements with the Unions;
- staff turnover was much reduced and lower than assumed in the budget; and
- spending on agency staff, overtime, casual staff and consultancy costs.

It was reported that steps had been taken to control spending in these areas. In addition, certain budgets savings approved for 2011/12 had yet to be achieved, premium/overtime (£750,000), street lighting on rural roads (£40,000) and running costs associated with asset disposals (£250,000).

Members were advised that the economic downturn was affecting income. A number of income budgets were below their profile including market rents, industrial estates rents, land charges, social care charges and licence fees. These budgets would be closely monitored during the year to ensure the overall budget was balanced.

With regard to capital spending, it was reported that spending to the 30<sup>th</sup> June 2011 totalled £7.5m, which was 75% of the planned spending of £9.9m at this stage. However, this only represented 12% of the total capital programme of £64.1m (which assumed a 20% slippage between years). Members were advised that the main areas of programme slippage to date were in respect of Castlefields Regeneration and the Local Transport Plan schemes.

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

The report also outlined the impact of the significant number of equal pay claims which had been lodged with the Council as part of the national single status agreement. A reserve had been established over recent years, which was now considered sufficient to meet the future cost of such claims.

RESOLVED: That

- 1) the report be noted;
- 2) a further report be submitted to the Executive Board on the steps available to achieve a balanced budget at the end of the year; and
- 3) future quarterly Spending reports be submitted to the Executive Board for consideration.

<b>27</b>	<b>ICT CAPITAL REVIEW</b>
-----------	---------------------------

The Sub-Committee considered a report which outlined the spending profile for the current ICT infrastructure requirements for 2011/12. Members were advised that in order to support the current demand for technology growth and replacement, the authority required an investment in the region of £1.3m this year in relation to the £1.1m capital budget made available.

It was noted that all projects had been identified and through smart procurement tactics, financial year-end discount opportunities, detailed specification and programme management the budget was expected to support the current requirement. In addition, all capital investment would be targeted to the maintenance and support of existing equipment that had become no longer viable, in terms of spare parts and its operational ability. Every effort would be made to comply

with the full programme requirement through additional income generation and effective purchasing.

Members also received an update on the new 'Lync' telephony solution, which had targeted installation dates between October and December 2011 and the device replacement strategy, which had been reviewed and new device strategies were now in place.

RESOLVED: That the Board supports the ICT Capital Programme.

<b>28</b>	<b>TREASURY MANAGEMENT 2010-11</b>
-----------	------------------------------------

The Sub-Committee considered a report which reviewed activities on Treasury Management for the year 2010/11 in accordance with the Council's Treasury Management Policy Statement.

The annual report covered:-

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- Reporting of the required prudential and treasury indicators;
- Overall treasury position identifying how the Council had borrowed in relation to this indebtedness and the impact of investment balances.
- Summary of interest rate movements in the year;
- Detailed debt activity; and
- Detailed investment activity.

In addition the report provided details of the outturn position for treasury activities and highlighted compliance with the Council's policies previously approved by Members.

Members noted that the unexpected change of policy on Public Works Loan Board (PWLB) lending arrangements in October 2010 resulted in an increase in new borrowing rates of 0.75% to 0.85% without an associated increase in early redemption rates. This made new borrowing more expensive and repayment relatively less attractive.

RESOLVED: That the actual 2010/11 Prudential and Treasury Indicators in this report be approved and the Annual Treasury Management Report for 2010/11 be noted.



<b>29</b>	<b>TREASURY MANAGEMENT 1<sup>ST</sup> QUARTER 2010-11 APRIL TO JUNE</b>
-----------	---

The Sub-Committee considered a report which updated Members on the activities undertaken on the money market as required by the Treasury Management Policy.

The report provided supporting information on the economic background, economic forecast, short term rates, longer term rates, temporary borrowing/investments and new borrowing. It was noted that all the policy guidelines in the Treasury Management Policy had been complied with.

RESOLVED: That the report be noted.

<b>30</b>	<b>DISCRETIONARY NON DOMESTIC RATE RELIEF</b>
-----------	---

The Sub-Committee received a report of the Strategic Director, Corporate and Policy which sought Members' consideration of four applications for discretionary non-domestic rate relief, under the provisions of the Local Government Finance Act 1988.

The Sub-Committee was advised that under the provisions of Section 47 of the Local Government Finance Act, 1988, the Authority was allowed to grant discretionary rate relief to organisations that were either a charity or a non-profit making organisation. This relief may also be awarded to Community Amateur Sports Clubs. A summary of the applications was outlined within the report and list of the associated figures was included.

RESOLVED: That

- 1) under the provisions of Section 47, Local Government Finance Act 1988, discretionary rate relief be granted to the following organisations at the percentage indicated, for the period 1<sup>st</sup> April 2011 or the commencement of liability, whichever is the later to 31<sup>st</sup> March 2013:-

Halton Haven Hospice	20%
SHAP Ltd.	20%

- 2) in respect of the following organisation, it is also recommended that they should be granted discretionary rate relief for the backdated element of the charge from April 2010 or the commencement of liability, whichever is the later.

Halton Haven Hospice 20%

- 3) under the provisions of Section 47, Local Government Finance Act 1988, the following applications for discretionary rate relief be refused:-

Runcorn Golf Club 20%  
Widnes Golf Club 20%

## **EXECUTIVE BOARD SUB COMMITTEE MEETING HELD ON 22 SEPTEMBER 2011**

<b>37</b>	<b>WAIVER OF PROCUREMENT STANDING ORDERS</b>
-----------	--

The Sub-Committee considered a request to waive standing orders to enable the current service provided by Northgate@work to include Audit and Operational Finance and Human Resources and further additions to the current Northgate@work and Northgate "Docs on Line" contracts during the remaining contract lifetime.

The Sub-Committee was advised that the Revenues and Benefits Division had renegotiated a contract with Northgate@work, a market leader in the supply of document imaging systems to local government. The current contract expired in January 2015. One of the advantages of Northgate@work was that they offered a remote scanning and indexing service.

It was noted that a recent review had indicated that given current volumes of work in Revenues and Benefits, when Adult and Operational Finance and Human Resources came on line, it would still be more cost effective for the Council to use this service. As the application was introduced into more areas of the Council this would be continually reviewed.

**RESOLVED:** That for the purposes of Contract Standing Order 1.8, approval be given to the waiver of Standing Orders 3.1 to 3.7 for the following reasons:

- Standing Order 1.8.2a, as Northgate is the only provider of a remote scanning and indexing service;
- Standing Order 1.8.2c, as the existing system has been operating successfully for over 10 years and any new supplier would involve the Council in substantial set up and installation costs;

- Standing Order 1.8.2d, as Halton Borough Council has been a reference site for Northgate@work. Due to this relationship, Halton Borough Council has been able to negotiate favourable terms for the extension of the contract, which would not be available on the open market; and
- Standing Order 1.8.2e, as the provision of a remote scanning and indexing of documents could only be provided by Northgate Docs on Line.

<b>38</b>	<b>INVEST TO SAVE BIDS</b>
-----------	----------------------------

The Sub-Committee considered a report of the Strategic Director Policy and Resources which requested that two bids on the Invest to Save Fund be considered. The Invest to Save Fund was established in 2007 to provide up front monies from which sustainable savings were generated to help the Council's budget. The criteria for its use was outlined in the report:

It was noted that the following two bids had been submitted which met the criteria:

	<b>Annual Savings</b>	<b>Cost</b>
	£000	£000
Energy Saving Lighting	46	8
Scanning	65	26

RESOLVED: That the bids be approved.

<b>39</b>	<b>3MG WESTERN APPROACH LINK ROAD</b>
-----------	---------------------------------------

The Sub-Committee considered a report which sought a waiver of Standing Orders to begin construction work on the 3MG western approach link road.

It was noted that in order to comply with planning permission granted by Knowsley Metropolitan Borough Council and Halton Borough Council commencement of the Western Approach Link road was required. In June 2011 the Council had entered into an agreement with Prologis UK Limited for the development of the HBC Field. As part of the agreement the developer was obliged "to complete the Infrastructure Works" which included the western approach link road. Therefore the tender process to let a small contract to undertake advanced drainage works was managed by Prologis.

Members were advised that the tender process carried out by Prologis had resulted in Balfour Beattie Civil Engineering Limited being the preferred contractor for the western approach link road. The primary reason for the waiver was that compliance with Standing Orders would result in the Council having to forego a clear financial or commercial benefit.

RESOLVED: That the waiver of standing orders for this discrete area of work be agreed.

---