

Corporate Policy and Performance Board– Priority Based Monitoring

Reporting Period: **Quarter 2 – 1st July 2018 – 30th September 2018**

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 2018/19 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
 - Human Resources, Organisational Development, Policy, Performance and Efficiency
 - ICT Infrastructure
 - Legal and Democracy
 - Catering, Stadium and Registration Services
 - Property Services
- 1.3 The way in which traffic light symbols have been used to reflect progress to date is explained within Section 8 of this report.

2.0 Key Developments

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

Finance

Benefits Division

Universal Credit

- 2.2 For the preceding 3 years the Council has provided a Universal Support service comprising Personal Budgeting Support and Assisted Digital Support for new Universal Credit claimants. As of 01st April 2019 the service will no longer be provided by the Council as the Department of Work and Pensions have commissioned the Citizens Advice Bureau as the new provider.

Audit, Procurement & Operational Finance

Procurement Strategy

- 2.3 The Local Government Association has recently published a National Procurement Strategy for Local Government in England 2018 entitled 'Delivering the ambition'. The strategy builds upon the previous national strategy and the Procurement Team will be reviewing the 2018 National Strategy and associated toolkit and assessing the Council's maturity in each of the key areas. This assessment will then be used to inform an update of the Council's own Procurement Strategy.

Liverpool City Region Procurement Efficiency Workstream

- 2.4 Collaborative procurement activity is continuing through the LCR Procurement Efficiency Workstream, which is led by Halton's Strategic Director (Enterprise, Community & Resources), the focus of which is on realising cashable savings from collaborative procurement activity.
- 2.5 An LCR Procurement Catalogue has been created providing visibility of over 80 existing LCR collaborative contracts into a central document. Price benchmarking has also been completed on a number of common contracts identifying opportunities for 'quick wins', e.g. catering, utilities, agency workers. Data cleansing work is also ongoing to improve visibility of third party spend and common suppliers and categories. This will assist the identification of further collaborative opportunities for the remainder of 2018-19 and 2019-20.

National Fraud Initiative

- 2.6 The Council is in the process of compiling a range of data sets to be submitted to the Cabinet Office as part of the National Fraud Initiative (NFI). NFI is a sophisticated data matching exercise which matches electronic data within and between public and private sector bodies to prevent and detect fraud. These bodies include police authorities, local probation boards, fire and rescue authorities as well as local councils.
- 2.7 The Council's involvement in NFI is being managed by the Audit & Investigations Team and Privacy notices have been issued to all individuals whose data is to be submitted. Once the data-matching process for each exercise is completed, the NFI will make the output available to the each participating bodies for consideration and investigation. It is expected that the data matches from the exercise will be received by the end of January 2019.

Revenues and Financial Management

- 2.8 The external auditor has completed the audit of the Council's Statement of Accounts for the period ending 31 March 2018, and an unqualified opinion on the Council's financial statements was issued on 31 July 2018. It concluded the Council had proper arrangements in all significant respects to ensure it delivered value for money in its use of resources. The final audit certificate covering the Council's accounts, value for money conclusion and Council submission to the Whole of Government Accounts (WGA) was issued and published on 23 August 2018.
- 2.9 For the financial year to 30 June 2018, overall Council net spending was £26.4m, resulting in an overspend position to date against budget of £1.1m. Spending on capital schemes for the same period totalled £3.8m, representing 9.9% of the total capital programme of £38.2m.

Human Resources, Organisational Development, Policy, Performance and Efficiency

New Pay Spine

- 2.10 Further work has been completed during the quarter on the new pay spines that are to be introduced as a result of the NJC 2019/20 pay award. It is confirmed that disruption to the Council's grading structure can be contained, and the integrity of the grading structure remains as originally intended and this will mitigate against any claims of inequality in implementation. There will be a nominal cost to the introduction of the new pay spines which will be calculated fully and considered during Quarter 3.

Apprenticeships

2.11 The service is continuing to work with operational areas to make progress with the setting up of new apprenticeships in the Council which incorporates new placements and also new learning for existing employees. Whilst the Council had a slow start to the new apprenticeship regime in 2017/18 due to the required development work, pace has picked up in 2018/19, and by the end of September '18 the Council has at 2.4% slightly exceeded the government target for the Financial Year to have 2.3% of the workforce in an apprenticeship placement.

New Learning & Development Programmes

- The Learning & Development team have recently introduced a range of new learning and development programmes, aligned with the Organisational Development Strategy which include High Performing Teams, Conducting Difficult Conversations, Leadership and Management Masterclass and ILM Level 3 Qualification in Leadership and Management.

2.12 Each of the above is designed to address a range of needs that have been identified through feedback from employees and managers across a variety of service areas, all with intention of building capacity and enhancing capability within the organisation.

Recruitment, Pay and Pensions

2.13 An increase in schools recruitment particularly placed a significant demand upon the service (recruitment and payroll teams) in September. The teams performed admirably to deliver the right level of service under SLA arrangements, and ensured that all new schools staff were accurately paid in September payroll.

2.14 Further external work has been taken into the Pay & Pensions Team, largely resulting from the adoption of new primary schools into the Borough's Multi-Academy Trusts. Whilst this service generates additional income for the Council its existing capacity is now being reached and will need to be considered before further work is undertaken.

ICT Infrastructure

Halton Cloud Desktop Upgrade Programme

2.15 The authorities' in house Cloud Services Delivery and Cloud Desktop upgrade continues to be successfully rolled out across all users at the rate of approximately 200 desktop users per month. To date service user feedback has been positive in terms of the added flexibility offered by the solution and the simplified and faster management of issues.

One Stop Shops

2.16 The One Stop Shop staff continue to deliver council services through our location in Widnes and Runcorn and during this financial quarter handled 24009 cases with average wait times at Halton Lea of 8 minutes and Widnes 10 minutes.

2.17 In both Runcorn and Widnes 50% of all enquiries made were equally related to either Council Tax or Adult Social Care Services with a further 8% of enquiries being related to Waste Management, 7% relating to finance and 5% relating to transport.

Contact Centre

- 2.18 The Contact Centre staff continue to take calls for all council service and during the quarter2 period handled 22,298 calls with an average waiting time of 5mins and 25 seconds.
- 2.19 Of all enquiries made during the period the highest number of contacts related to Council Tax (23%), Waste Management (17%) and Adult Social Care (15%). There were a further 7% of calls relating to the Emergency Duty Team and 7% relating to Children's Social Care.

Key Projects

- 2.20 Smooth wall web filtering and web management is live across corporate and Schools with the Libraries implementation underway. This system now monitors all users internet usage in detail, most importantly this system will allow the authority across all of its schools to manage and monitor the prevent agenda.
- 2.21 Guest WiFi – Now available in all libraries, and fully managed to user level – currently being linked to the Smooth Wall web management software extending the prevent agenda into the borough's Libraries and public access areas such as the Markets and Community Centre's.
- 2.22 Exchange 2016 – Corporate rollout of the new email solution, changing email archiving systems and upgrading the associated storage now given the scale of the email retention requirement throughout the authority is underway with over 150 test accounts in place awaiting the delivery of the storage services.
- 2.23 A new Reablement Service system will introduce real time monitoring of visits for clients at home and staff are presently receiving training. Unfortunately some installation issues from the supplier have arisen that have caused some delay and these are presently being addressed.
- 2.24 The roll out a new Hybrid mail system is expanding and this will continue to have a positive impact upon the operational postage costs. The system is already in operation for Children's Centres and Adoption and Fostering teams and Client Finance teams already using it. System has been deployed to Planning Team and will go live shortly with and Highways and Corporate Insurance teams are currently being analysed.
- 2.25 The Cemeteries and Crematorium booking and payment system which was developed in-house has been sold to external private company All Faiths and further enhancements to system currently being deployed.

Legal and Democracy

- 2.26 Elected Members have received training on the implementation of the recently introduced General Data Protection Regulations.

Catering, Stadium and Registration Services

Replacement Pitch

- 2.27 Following receipt of quotations it is anticipated that the old pitch will be lifted in October and the new carpet laid by the end of November and this will allow time to fully train the groundsmen in the new techniques associated with the new pitch.

The Karalius Suite/Fitness Suite

- 2.28 Work is well underway that will see the Karalius Suite increase its capacity from 100 guests to 150 and the Halton Suite is being redesigned for use by Council Staff which will result in an annual saving of approximately £350K in accommodation costs..

Property Services

Crow Wood Park New Pavilion Building

- 2.29 A main contractor has now been appointed following the procurement exercise. The start on site has been delayed following ground investigation works which has required amendment to the foundation design. The start on site is now anticipated in November with completion being due in late Spring 2019..

Education Maintenance Programme

- 2.30 Works on the 2018/19 schools maintenance programme are progressing, there being numerous projects with an overall value of circa £900k. The majority of projects were completed across the summer holiday period, the remaining projects will be taking place over the coming months with all projects due for completion by year end.

Accommodation Moves

- 2.31 HM Courts & Tribunal Service will be moving into additional space at Rutland House in due course once some minor refurbishment works have been completed. These works have been delayed however as we are waiting for HMCTS to give the financial go ahead and until we have that the works cannot commence. This has delayed HMCTS occupying the space but on completion of the works, which will take circa 6 weeks they will be in a position to occupy. This fits well with our accommodation strategy of making Rutland House our income generation hub.

Widnes Market

- 2.32 The roofing works are generally progressing well although they are slightly behind programme due to the difficulty in replacing the glazed panels within a working environment. Completion is now expected in mid-October.

Vine Street Centre / Bridge School

- 2.33 Works to refurbish the Vine Street Centre for North West Boroughs Healthcare are complete. The final arrangements with regards the lease are being finalised following which they will take occupation of the ground floor. In addition the project to develop a vocational centre for the Bridge school in Astmoor is now complete and the school took occupation prior to the start of the school year in September.

One Public Estate

- 2.34 The master planning exercise in respect of the Kingsway Quarter site is now complete and the options with regards the proposed redevelopment of the area are now being considered. The planning exercise for the Runcorn former Magistrates Court site is currently on hold. Homes England are no longer going to take over responsibility of the building as was planned and the Council are awaiting further information from the Courts and Tribunal Service in respect of the future of the building.

Belvedere- Redevelopment In To Care Home

- 2.35 An outline feasibility study has been completed in respect of converting Belvedere in to a 30 bed Care Home and funding options are now being considered. Once the funding package has been finalised design works can progress to a more detailed stage.

3.0 Emerging Issues

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

Finance

Benefits

Financing Supported Housing

- 3.2 In August 2018 the Department for Works and Pensions (DWP) and the Ministry of Housing and Communities and Local Government formally responded to the October 2017 consultation on future funding for supported housing. The response sets out the government's decision to maintain Housing Benefit (HB) for all supported housing (including short-term) and introduce a new oversight mechanism to ensure quality of provision and value for money across this particular sector.
- 3.3 The Government will work with providers, local authorities, membership bodies and resident representatives over the coming months to construct a robust oversight regime, which will cover short-term, long-term and sheltered, and extra care accommodation. In addition the Government will undertake review of supported housing to clearly understand how housing and support currently fit together.

Audit, Procurement & Operational Finance

Insurance tender

- 3.4 In April 2014 the Council entered into five year contracts for a range of insurance services covering public and employers' liability, officials' indemnity, professional indemnity, engineering inspection and engineering insurance. These contracts end on 31 March 2019 and no further pre-determined contract extensions are available. A procurement process is therefore to be undertaken to renew these policies.
- 3.5 As part of the exercise a review of the Council's insurance programme will be undertaken and relevant alternatives considered to establish the most appropriate programme for the Council. This will include reviewing components such as extent of cover, level of deductibles, indemnity limits and length of contract.

Direct Payments

- 3.6 The Council continues to see a significant increase in the number of people assessed as requiring care or support services who are opting to have a Direct Payment rather than a support package arranged by the Council. The number of people in receipt of Direct Payments has now increased from 681 in 2017/18 to 740 as at September 2018. It is anticipated that expenditure on Direct Payments in 2018/19 will exceed £10m.

Revenues and Financial Management

Business Rate Retention 100% Pilot

- 3.7 Confirmation has been received from MHCLG that the 100% rate retention policy operating within the Liverpool City Region will continue for another year through to 31 March 2020. At this point it not yet know if there will be any changes to the way the pilot operates or if it will continue beyond this date.

Medium Term Financial Strategy

- 3.8 Work is underway in revising the Medium Term Financial Strategy; this is being continually updated as new information is received on a frequent basis. The Budget Working Group (BWG) have already met to consider the first set of 2019/20 savings, these will be reported to Executive Board on 15 November. The Medium Term Financial Strategy is expected to be reported to Executive Board on the same date. Work is underway on preparing the Council's 2019/20 revenue budget and three year capital programme.

Cost and Performance Benchmarking

- 3.9 The Financial Management team have completed an initial benchmarking exercise of the Council's costs using a software tool called CFO Insights. This will be developed further over the coming months examining service cost & performance and comparing this to authorities who share similar demographics and size to Halton although this can be expanded to all Council's across the country. The aim will be to utilise the tool so it can be used to promote ideas for efficiencies to be put forward in helping to balance the Council's budget from 2020/21.

Human Resources, Organisational Development, Policy, Performance and Efficiency

Agency Spend

- 3.10 Signs of increasing spend in Children's Social care services across the city region remain. Analysis of current spend and deployment against previous years is underway as part of an efficiency initiative. When capacity allows a full examination of the resourcing mix for the service area will be undertaken (as outlined in service objective PPPE04 below).

Employment Relations School Support

- 3.11 As reported last quarter, the impact of reducing funding settlements in the education sector is leading to schools requiring significant support in Employment Relations matters, which have the potential to become very protracted and complex restructuring proposals. Services provided to schools under the standard SLA will continue to be offered, however for the 2019/20 SLA year the charge will be increased to reflect the increase in workloads.

Recruitment Services

- 3.12 Following the increase in recruitment activity reported in previous quarters, demand has continued unabated. Since January 2018, 370 items of Council recruitment have come into the team – this represents an average of 41 items per month, against an average of 22 for the 4 year period 2013-2017.
- 3.13 School recruitment has increased by 30% in the same period from an average of 21 items per month to 27. The reasons for this are multi-faceted, ranging across turnover, growth, increased demand for services, new initiatives / projects, restructuring, and inward TUPE transfers.

- 3.14 Additionally, the local labour market is not sufficiently supporting some post types to the level required (e.g. care work), which is resulting in re-advertisements. Work is ongoing with services to attempt to address this (refer to service objective PPPE04 below). The current situation will however mean that at present some delays in recruitment are unavoidable.

ICT Infrastructure

Agresso

- 3.15 Discussions are taking place with another large local authority looking into the opportunity to join the current Agresso system collaboration. It is also proposed to include all HR modules within the new development allowing the creation of an integrated Enterprise Resource Planning (ERP) solution. Linked to the upgrade of the current product suite as detailed previously this will enable integration with Mobile Phone based App's and improve and integrate management reporting and Financial reporting quite considerably. A progress report will be presented to this Board once negotiations are completed.

New Projects

- 3.16 The Adult Learning device replacement programme has been approved and will link in with the Schools Cloud Desktop programme that is due to start in August. This upgrade, which will also be linked to the Libraries Wi-Fi upgrade will bring the Schools services in-line with the corporate services and will facilitate agile working across all learning platforms.
- 3.17 A formal review of the IT Helpdesk service will be undertaken in line with the deployment of the new Halton Cloud Services platform, which will be focus upon client requirements and the expected role into the future of this service. The helpdesk is now linked to the contact centre systems allowing for voice recording and a greater level of statistical analysis.
- 3.18 Contact Centre - Contact Centre Management are working with the Telehealthcare Service to modernise the service. Over the next few months the service will move to a new operating model which will give the Telehealthcare Officers remote access to the new system when working within a client's property. Referrals for the service are taken within the Contact Centre and these will be loaded directly into Service manager capturing far more information at initial point of contact than at present.

Legal and Democracy

- 3.19 Legal and CIU staff continue to be involved in supporting the Council's response to the Boundary Commission review.
- 3.20 Preparations continue for the by election in Ditton to be held early in Quarter 3, and the ensuing new member induction.

Property Services

- 3.21 Following a restructure within the Economy, Enterprise and Property department a full review of existing Market policies and procedures will be undertaken alongside promotional work to further exploit opportunities to develop new business and sustain existing take up of the Councils offer.

4.0 Risk Control Measures

- 4.1 Risk control forms an integral part of the Council's Business Planning and performance monitoring arrangements. As such Directorate Risk Registers were updated in tandem with the development of the suite of 2018 – 19 Directorate Business Plans.

Progress concerning the implementation of all high-risk mitigation measures is included as Appendix 1 to this report.

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:

<https://www3.halton.gov.uk/Pages/councildemocracy/pdfs/EandD/ObjectivesProgressReport.pdf>

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.

It should be noted that given the significant and unrelenting downward financial pressures faced by the Council there is a requirement for Departments to make continuous in-year adjustments to the allocation of resources in order to ensure that the Council maintains a balanced budget.

Whilst every effort continues to be made to minimise any negative impact of such arrangements upon service delivery they may inevitably result in a delay in the delivery of some of the objectives and targets contained within this report.

Financial Management

Key Objectives / milestones

Ref	Milestones	Q2 Progress
FS 01a	Report 2019 – 22 Medium Term Financial Strategy to Executive Board - November 2018.	<input checked="" type="checkbox"/>
FS 01b	Report 2019 – 22 revenue budget, capital programme and Council Tax to Council - March 2019.	<input checked="" type="checkbox"/>
FS 02c	Provide quarterly monitoring reports on the overall budget to Executive Board.	<input checked="" type="checkbox"/>
FS 03a	Publish the Statement of Accounts following external Audit by 31st July 2018.	<input checked="" type="checkbox"/>
FS 04a	Establish Treasury Management Policy and report to Council - March 2018.	<input checked="" type="checkbox"/>
FS 04b	Provide monitoring reports to Executive Board on a bi-annual basis.	<input checked="" type="checkbox"/>
FS 05a	Establish and report prudential indicators to Council - March 2018.	<input checked="" type="checkbox"/>
FS 05b	Provide monitoring reports to the Executive Board on a bi-annual basis.	<input checked="" type="checkbox"/>

Supporting Commentary

The Medium Term Financial Strategy (MTFS) will be reported to Executive Board on 15 November 2018 with the financial forecast regularly being updated.

Progress remains on track for revenue budget, capital programme and council tax to be reported to Council on 06 March 2019. Budget proposals for 2019/20 are currently being considered and it is expected the first set of proposals will go to Council on 15 November 2018.

2018/19 Q1 overall budget report was received by Executive Board on 20 September 2018, which highlighted a number of potential pressures emerging for which is required to keep spending within budget by year-end. Quarter 2 information will be reported on 15 November 2018.

The Statement of Accounts approved by Business Efficiency Board on 25 July 2018 and the audit certificate published on Council's web-site on 23 August 2018.

The 2018/19 Treasury Management Policy was approved by Council on 07 March 2018 and Half- year monitoring report is scheduled to be presented to Executive Board on 15 November 2018. Report will be supported with an analysis of the economic outlook provided by Link Asset Services, the Council's treasury management advisors.

The 2018/19 prudential indicators were reported to Council on 07 March 2018 as part of Treasury Management Policy and a Half year report scheduled to be reported to Executive Board on 15 November 2018. Prudential borrowing indicators are reviewed on a regular basis.

Key Performance Indicators

Ref	Measure	17 / 18 Actual	18 / 19 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 annual comment 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	Proportion of Council Tax that was due that was collected.	94.62%	95.00%	55.07		
FS LI 04	The percentage of Business Rates which should have been received during the year that were received.	98.21%	97.00%	57.01		
FS LI 05	Average time for processing new claims (Housing & Council Tax Benefit).	18.79 (Days)	20 (Days)	17.55 (Days)		
FS LI 06	Average time for processing notifications of changes in circumstances.	5.3 (Days)	6 (Days)	10.05 (Days)		

Supporting Commentary

2017/18 Statement of Accounts audit opinion was reported to the Business Efficiency Board on 25 July 2018. In the 2017/18 Audit Findings report the Council’s external auditor concluded that the risk in regard to the Council’s financial position and sustainability was sufficiently mitigated and the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The external auditor also concluded that it was satisfied with management's assessment that the Council will continue for the foreseeable future and that the going concern basis was appropriate for the 2017/18 financial statements.

FS LI 03

The collection of Council Tax has marginally reduced by 0.3% when compared with the same point last year and at quarter 2 there has been an increase of 1.27% in the collection of Business rates. Both measures are expected to achieve target by year-end.

New claims processing times have improved when compared to this time last year; 20 (days) and partly automating processing from 8th October 2018 should improve performance for changes of circumstances.

Key Objectives / milestones

Ref	Milestones	Q2 Progress
PPPE 01a	Promote and take forward the delivery of actions identified within the Organisational Development Strategy May 2018	
PPPE 01b	Review and refresh annual training calendar September 2018 .	
PPPE 01c	Regular engagement with service managers to identify areas of challenge and develop appropriate bespoke solutions April, September, December 2017, and March 2019 .	
PPPE 01d	Development of Management Development Programme September 2018	
PPPE 02a	Establish 10 new apprentice placements within the Council consistent with the requirements of legislation March 2019	
PPPE 02b	Establish 10 new existing employee apprenticeships to enable up-skilling in a range of business areas compliant with the requirements of Apprenticeships legislation March 2019	
PPPE 03a	Monitor the impact of policy quarterly – support with financial and data analysis – June, September, December 18 and March 2019	
PPPE 03b	Demonstrate improved wellbeing, cost reduction and productivity enhancement over the financial year 2018 – 19, through a review of data and engagement with managers and employees March 2019 .	
PPPE 04a	Review analysis and consider most appropriate resourcing mix in collaboration with service management in areas of highest Agency usage September 2018	
PPPE 04b	Implement resourcing plans with service management in appropriate areas September 2018	
PPPE 04c	Ongoing monitoring of agency usage and spend April, September, December 2018, and March 2019 .	

Supporting Commentary

The Organisational Development Service is now enabling a focus on Organisational Development Need. Actions within the strategy are in scope of current activity, with additional initiatives now being brought forward for inclusion in the portfolio made available to the organisation. The basis of a revised strategy is being constructed as the scope of the service grows.

Dialogue continues through a ‘business partner’ model to understand and address the training and development needs of individual service areas.

Basis of a programme for senior leadership development is constructed and will be considered by Management Team during October.

Steady progress is being made concerning apprenticeships and 39 existing employees are in the process of being engaged in levy compliant Learning & Development this year.

Reporting for full year period from policy inception – July 2017 to July 2018 is in draft. Indications are that the implementation of the new policy has had a positive impact. Further updates to follow once report has been quality assured and considered by Management Team.

Resourcing activity forms part of the role of the Recruitment & Resourcing team introduced at the start of 2018. Expertise from the Efficiency Programme been merged with this area. The current recruitment workload has prevented as much activity taking place in this area as desired, however the highest priority area is Adult Social Care and work is ongoing with services to seek a more stable establishment and reduce reliance on agency workers.

PPPE 04c

Regular dialogue with agency contract provider is ongoing concerning usage and spend with quarterly business review meetings undertaken to keep track of deployment and financial performance in this area.

Key Performance Indicators

Ref	Measure	17 / 18 Actual	18 / 19 Target	Q2 Actual	Q2 Progress	Direction of travel
PPPE LI01	The number of working days / shifts lost due to sickness absence (Corporate)	10.28 (Days)	10	5.13		
PPPE LI02a	Total Full Time Equivalent Staffing Establishment	3,470	For info only	3,399	For info only	For info only
PPPE LI02b	Total Staff (head count) (indicator for information only)	4,648		4,503		
PPPE LI02c	Total Agency Worker usage (number of placements – year to date)	685 Placements	650	260		
PPPE LI02d	Total Agency Worker usage (cumulative cost – year to date)	£1,718,283 (Gross Cost)	£1.5m (Gross Cost)	£1.05M (Gross Cost)		
PPPE LI03	% of training delegates attending as proportion of places reserved	89.00%	90.00%	91.07%		
PPPE LI04	The percentage of top 5% of earners that are					
	a) women	56.86%	50.00%	58.82%		
	b) from BME communities.	2.53%	1.50%	2.41%		
	c) with a disability	0.86%	8.00%	0.89%		
PPPE LI05	No of staff declaring that they meet the definition of disability within the Equality Act 2010 as a %	1.45%	10.00%	1.35%		

Ref	Measure	17 / 18 Actual	18 / 19 Target	Q2 Actual	Q2 Progress	Direction of travel
	of the total workforce.					
PPPE LI06	Minority Ethnic community staff as % of total workforce.	0.99%	1.00%	0.98%		
PPPE LI07	Average time to recruit (Management Team approval to employee start date)	69 (Days) (Q3 2017/18)	Baseline to be determined 18/19	86.29 (Days)	N/A	N/A
PPPE LI08	Staff turnover rate (Permanent & temporary staff. Excludes casual)	4.70%	TBC	2.29%	N/A	N/A
PPPE LI09	Number of apprenticeship placements established in the Council (cumulative – year to date)	10	20 (Government target is 55)	42		

Supporting Commentary

The implementation of the new Absence Management policy and procedures may result in more robust management reporting of sickness may result in a recorded increase over previous figures

Number of agency worker placements should show a reduction over time and this should be reflected in cost savings. However as reported in the Emerging Issues section of this report spend is showing an increase in Quarter 2.

Training continues to be well attended and the introduction of the GDPR has resulted in a higher level of attendance. This indicator is subject to fluctuation and will continue to be monitored.

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

Target for employees with a disability is based on wider community profile. Very unlikely to be met, however nominal movement in this indicator remains positive and in line with 2017/18 outturn. The indicator for BME staff remains static. Fluctuation may occur in year due to staff turnover, however forecasting this is difficult and recruitment practice remains focused on being open to all.

The introduction of a new Applicant Tracking System (ATS) means that information concerning time to recruit will be more accurate than previously reported but means that comparison with previously reported data to be difficult.

During Q1 18/19, 149 posts were vacated of a headcount of 4,631.

There have been 8 new apprenticeship starts 3 in TI services and 5 in Open Space services. In addition to this there have been 34 conversions, ie. existing members of staff undertaking an approved Apprenticeship Qualification. These range from Lead Adult Care Worker to Children & Young People Early Years Educator and Business Administration.

ICT and Administrative Support Services

Key Objectives / milestones

Ref	Milestones	Q2 Progress
ICT 01a	Continued Enhancement of the virtualization platform to enhanced or new technologies - March 2019 .	
ICT 01b	Further development of Cloud Services Platform - March 2019 .	
ICT 01c	SharePoint and Records Management enhancements - March 2019 .	
ICT 01d	Interactive Web Services Enhancement and further SharePoint Integration - March 2019 .	
ICT 01e	Further development of commercial ICT opportunity within desktop, hosting and DR provision - March 2019 .	
ICT 02a	Continuing improvements, enhancements and potential commercial use of Cloud system - March 2019 .	
ICT 02b	Continuing workflow implementation - March 2019 .	
ICT 02c	Improvement and enhancement of all web based customer interfaces - March 2019 .	
ICT 02d	Continued development of document management and distribution services - March 2019 .	
ICT 03a	Continual development of the I Want Admin Portal - March 2019 .	
ICT 03b	Develop and enhance operational Records management Unit Services - March 2019 .	

Supporting Commentary

All objectives are presently on track and notable initiatives are detailed within the Key Development and Emerging Issues sections of this report.

Key Performance Indicators

Ref	Measure	17 / 18 Actual	18 / 19 Target	Q2 Actual	Q2 Progress	Direction of travel
ICT LI01	Average availability of Council servers.	99.07%	99.00%	99.41%		
ICT LI02	Average availability of the Council's WAN Infrastructure.	99.03%	99.00%	98.83%		

Ref	Measure	17 / 18 Actual	18 / 19 Target	Q2 Actual	Q2 Progress	Direction of travel
ICT LI03	School support SLA - % of calls responded to within agreed target					
	Priority 1	93.00%	85.00%	100.00%		
	Priority 2	94.00%	90.00%	90.00%		
	Priority 3	100.00%	95.00%	100.00%		
	Priority 4	100.00%	95.00%	100.00%		
ICT LI04	Average working days from delivery to completion of a new PC.	10 (Days)	10 (Days)	10 (Days)		

Supporting Commentary

All indicators remain have achieved their annual target levels with only minor deviances in performance in comparison to the same period in the previous year.

Legal & Democracy

Key Objectives / milestones

Ref	Milestones	Q2 Progress
LD 01	Review constitution - May 2018 .	
LD 02a	To ensure that all members have been given the opportunity of a having a MAP meeting where desired.	
LD 02b	To induct all new members by October 2018 .	

Supporting Commentary

The revised Constitution was approved at Annual Council in May and all Members are given the opportunity to have a MAP meeting but this remains a matter of personal choice.

All new Members went through the induction programme in Quarter 1 with the induction of further new members is planned through the year.

Key Performance Indicators

Ref	Measure	17 / 18 Actual	18 / 19 Target	Q2 Actual	Q2 Progress	Direction of travel
LD LI01	No. Of Members with Personal Development Plans (56 Total).	55 (98.21%)	56 (100.00%)	55 (98.21%)		
LD LI02	Percentage of Members attending at least one organised Training Event.	86.00%	100%	86.00%		
LD LI03	Average Time taken to issue prosecutions from receipt of full instructions (working days).	7 (Days)	10 (Days)	7 (Days)		
LD LI04	Average time taken to file application for Care proceedings at Court from receipt of all written evidence from client department (working days).	1 (Days)	3 (Days)	1 (Days)		
LD LI05	% of Executive Board minutes published within 5 working days after the meeting.	100%	100%	100%		

Supporting Commentary

All indicators are performing as well as at the same period in the previous year and are expected to meet their respective targets for the current financial year.

Community & Environment

Key Objectives / milestones

Ref	Milestones	Q1 Progress
CE 01a	Deliver a promotion and educational campaign - September 2018 and January 2019 .	

Supporting Commentary

As part of the educational Campaign brochures have been sent to the homes of new pupils starting secondary school and representatives have attended parents evenings to promote the school meals service.

Key Performance Indicators

Ref	Measure	17 / 18 Actual	18 / 19 Target	Q2 Actual	Q2 Progress	Direction of travel
CE LI 01	% Take up of free school meals to those who are eligible - Primary Schools.	78.20%	80%	77%		
CE LI 02	% Take up of free school meals to those who are eligible - Secondary Schools.	71.88%	75%	76%		
CE LI 03	Take up of school lunches (%) – primary schools.	63.36%	65%	59%		
CE LI 04	Take up of school lunches (%) – secondary schools.	61.22%	55%	92%		

Supporting Commentary

Figures for the take up of school meals are presently within the expected range with take up in secondary schools being notably high.

Economy, Enterprise & Property

Key Objectives / milestones

Ref	Milestones	Q2 Progress
EEP 06a	To complete the construction of Widnes Market roof	
EEP 06b	Complete the construction of Crow wood park pavilion	
EEP 06c	To complete the refurbishment of the Halton Suite and relocation of staff – March 2019	
EEP 06d	To complete the retender of the property services consultant services contract	

Supporting Commentary

The works on the Market roof are nearing completion and should be finished by mid- October 2018. The start on Crow Wood Pavilion has been delayed on site as explained within the Key developments section of this report.

Works are due to commence on completion of the upgrade of the Karalius Suite which is likely to finish by year end.

The procurement process is nearing the end of the tender evaluation stage, it is anticipated that the successful consultant will be appointed in October.

Key Performance Indicators

Ref	Measure	17 / 18 Actual	18 / 19 Target	Q2 Actual	Q2 Progress	Direction of travel
EEP LI 01	Greenhouse gas (GHG) emissions indicator (Tonnes CO ₂ e)	16,043 tonnes CO ₂ e (Actual 16/17)	14,663 tonnes CO ₂ e (Target 18/19)	14,811 tonnes CO ₂ e (Actual 17/18)		
EEP LI 05	Occupancy of Widnes Market Hall.	83.0%	83%	83%		
EEP LI 06	Unit Costs – office accommodation (reported annually).	£1,153	£1,124	N / A	N / A	N / A

Supporting Commentary

EEP LI 01

The reporting requirements for emissions have been amended whereby the figures for academies are no longer included. The actual figure for 2016/17 has therefore been amended to reflect the change to ensure the comparison to the 2017/18 figure is meaningful.

The overall emissions for 2016/17 amounted to 16,043 tonnes. The emissions for 2017/18 are 14,811 tonnes which equates to a 7.6% reduction. Energy consumption has risen slightly however as the kw/h-CO₂ conversion factor has been reduced due to the greater mix of renewable energy being generated the overall CO₂ emissions have reduced.

The target for 2018/19 has been set at 14,663 tonnes CO₂e, a 1% reduction over 2017/18. The annual figure for this indicator is a year behind and therefore only reported in the following year. The target for 2018/19 will be a 1% reduction on the 2017/18 figure.

The figure Unit Costs of office accommodation can only be calculated at year end due to the nature of the costs involved.

7.0 Financial Statements

FINANCE DEPARTMENT

Revenue Budget as at 30th September 2018

	Annual Budget	Budget To Date	Actual To Date	Variance to Date
	£'000	£'000	£'000	(Overspend) £'000
<u>Expenditure</u>				
Employees	5,446	2,668	2,556	112
Supplies & Services	409	192	142	50
Insurance	1,071	687	687	0
Rent Allowances	50,200	19,209	19,209	0
Non HRA Rent Rebates	65	26	26	0
Discretionary Social Fund	154	53	53	0
Discretionary Housing Pmts	387	160	160	0
Concessionary Travel	2,175	666	691	(25)
LCR Levy	2,241	2,241	2,241	0
Total Expenditure	62,148	25,902	25,765	137
<u>Income</u>				
Clerical Error Recovery	-400	-123	-123	0
Rent Allowances	-49,800	-17,359	-17,359	0
Other fees & Charges	-197	-102	-147	45
Non HRA Rent Rebate	-65	-34	-34	0
Burdens Grant	-61	-61	-86	25
Dedicated Schools Grant	-96	0	0	0
Discretionary Hsg Payment Grant	-387	-179	-179	0
Hsg Benefit Admin Grant	-510	-255	-237	(18)
Universal Credits	-130	-124	-121	(3)
Council Tax Admin Grant	-211	-211	-211	0
Council Tax Liability Order	-421	-348	-348	0
Business Rates Admin Grant	-166	0	0	0
Schools SLAs	-858	-858	-853	(5)
LCR Reimbursement	-2,241	-2,241	-2,241	0
Reimbursements & Other Grants	-103	-49	-42	(7)
CCG McMillan Reimbursement	-80	-40	-40	0
Transfer from Reserves	-105	-4	-4	0
Total Income	-55,831	-21,988	-22,025	37
Net Operational Expenditure	6,317	3,914	3,740	174
<u>Recharges</u>				
Premises Support	8	4	4	0
Central Recharges	2,356	1,178	1,178	0
Central Recharge Income	-4,641	-2,311	-2,311	0
Net Total Recharges	-2,277	-1,129	-1,129	0
Net Department Expenditure	4,040	2,785	2,611	174

Comments on the above figures

In overall terms revenue spending at the end of quarter 2 is under budget.

Employee budgets are based on full time equivalent staffing numbers of 158.

Employee costs is currently underspent due to vacancies within all Divisions but the majority relates to those within the Benefits Division. Further costs have been reduced by offsetting expenditure against external grants within the Revenues and Financial Management Division.

Supplies and services is currently underspent due to tighter control of spending.

Concessionary travel costs for the year are forecast to exceed the set budget by £50k. Reasons for the increased spend is due to an uplift in costs being paid to operators and an increase on passenger numbers from the last financial year. The Council have very little scope to negotiate on the reimbursement rate paid to operators, being based on set guidance provided by the Department for Transport.

There has been a reduction in the Housing Benefit Admin Subsidy grant as the allocation is based on the Housing Benefit caseload and the introduction of the Universal Credit Full service has meant the working age benefit caseload has reduced significantly with people transferring to Universal Credit. The shortfall however is anticipated to be netted from the extra Burdens Grant which is received in respect of legislative changes as the Council has received more than the original allocation.

Overall the Department is forecast to underspend against the budget allocation by year-end.

POLICY, PEOPLE, PERFORMANCE & EFFICIENCY DEPARTMENT

Revenue Budget as at 30th September 2018

	Annual Budget	Budget To Date	Actual To Date	Variance to Date
	£'000	£'000	£'000	(Overspend) £'000
<u>Expenditure</u>				
Employees	1,857	889	929	(40)
Employees Training	133	57	46	11
Supplies & Services	140	49	37	12
Apprenticeship Levy	300	72	72	0
Total Expenditure	2,430	1,067	1,084	(17)
<u>Income</u>				
Fees & Charges	-93	-84	-83	(1)
Schools SLAs	-426	-389	-377	(12)
Transfer from Reserves	-98	0	0	0
Total Income	-617	-473	-460	(13)
Net Operational Expenditure	1,813	594	624	(30)
<u>Recharges</u>				
Premises Support	12	6	6	0
Central Support Recharges	-1,042	-521	-521	0
Support recharges Income	-783	-392	-392	0
Net Total Recharges	1,813	-907	-907	0
Net Department Expenditure	0	-313	-283	(30)

Comments on the above figures

Net spend at the end of the Second Quarter is over the budget profile for the reasons outlined below:

The variance in relation to the employee's budget is in the main due to not achieving the staff turnover savings target as a result of increased agency costs within the Recruitment and Resourcing team.

Employee budgets are based on full time equivalent staffing numbers of 42.

Within supplies and services there has been a conscious effort to reduce expenditure, reflected in the net underspend for the year to date.

Employee training costs has been reduced as some training costs have been funded through the apprenticeship levy.

Schools SLA Income is below budget as the existing SLA is based on charges per employee, and as school staffing numbers are reducing it is impacting on income levels received. The charging calculation will be reviewed to ensure levels of income don't continue to fall.

It is currently forecast the outturn position will show the department overspending against net budget by approximately £57k.

ICT AND ADMINISTRATION

Revenue Budget as at 30th September 2018

	Annual Budget	Budget To Date	Actual To Date	Variance to Date
	£'000	£'000	£'000	(Overspend) £'000
<u>Expenditure</u>				
Employees	6,766	3,391	3,471	(80)
Supplies & Services	711	337	325	12
Capital Financing	1,607	53	49	4
Computer Repairs & Software	934	634	569	65
Communication Costs	385	287	328	(41)
Transfer to Reserves	15	0	0	0
Premises Costs	58	47	53	(6)
Total Expenditure	10,476	4,749	4,795	(46)
<u>Income</u>				
Fees & Charges	-841	-117	-136	19
Schools SLA Income	-522	-485	-481	(4)
Reimbursements & Other Grant Income	-15	-8	-8	0
Total Income	-1,378	-610	-625	15
Net Operational Expenditure	9,098	4,139	4,170	(31)
<u>Recharges</u>				
Premises Support Recharges	605	303	303	0
Transport Recharges	8	4	4	0
Central Support Recharges	1,063	532	532	0
Support Services Income	-10,504	-5,252	-5,252	0
Net Total Recharges	-8,828	-4,413	-4,413	0
Net Department Expenditure	270	-274	-243	(31)

Comments on the above figures

In overall terms net spending is above the budget profile at the end of the second quarter

Employee budgets are based on full time equivalent staffing numbers of 244.

The negative variance on employee costs is due to the staff turnover savings target not being met. There is also a large efficiency saving target set against staffing which is currently being projected to be achieved through further income generation although details have yet to be finalised.

Within supplies and services there has been a conscious effort to reduce expenditure.

Computer repairs and software will be under budget due to a reduction in contract costs. Communication costs are above budget due to increased spend against telephone and internet charges.

There is expected to be increased income generation which should offset some of the projected negative outturn position, but the effect of this cannot be projected at this point till negotiations are finalised and figures confirmed. Therefore at this point it is forecast the department's net spend will be higher than the allocated budget by approximately £60k.

ICT AND ADMINISTRATION

Capital Projects as at 30th September 2018

Capital Expenditure	2018/19 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
ICT Rolling Capital Programme	700	133	133	567
Total Capital Expenditure	700	133	133	567

Comments on the above figures.

It is expected the programme will be fully spent by year end.

LEGAL & DEMOCRATIC SERVICES DEPARTMENT

Revenue Budget as at 30th September 2018

	Annual Budget	Budget To Date	Actual To Date	Variance to Date (Overspend)
	£'000	£'000	£'000	£'000
<u>Expenditure</u>				
Employees	1,746	889	871	18
Supplies & Services	290	160	153	7
Civic Catering & Functions	56	25	10	15
Legal Expenses	223	49	58	(9)
Total Expenditure	2,315	1,123	1,092	31
<u>Income</u>				
Land Charges	-78	-42	-42	0
School SLAs	-79	-79	-79	0
Licence Income	-245	-110	-110	0
Fees & Charges Income	-55	-55	-67	12
Total Income	-457	-286	-298	12
Net Operational Expenditure	1,858	837	794	43
<u>Recharges</u>				
Premises Support	155	78	78	0
Central Support Recharges	346	173	173	0
Support Recharges Income	-1,742	-871	-871	0
Net Total Recharges	-1,241	-620	-620	0
Net Department Expenditure	617	217	174	43

Comments on the above figures

Overall, spending is below budget profile at the end of second quarter.

Employee budgets are based on full time equivalent staffing numbers of 39.

Employee expenditure is below budget due to a vacancies within Legal Services, Communication and Marketing .There will be further savings as the Communication and Marketing post has now been filled at a reduced FTE, and within the Legal Department a post holder has taken up flexible retirement. These reductions have helped the department achieve the staff turnover savings target.

With regards to Supplies and Services expenditure, continued effort is being made to ensure that expenditure of controllable budgets is kept to a minimum.

Legal Expenses are dependent on number of cases, so cannot be projected accurately, but it is expected that there might be a significant overspend against budget provision due to a pending case. This can only be confirmed further into the financial year, and current projections on spend are at this point only estimated, and could change.

Fees and Charges income relates to Legal Fees, these cannot be projected, but at mid-point of the financial year income has exceeded budget based on demand for property searches.

It is expected the department's annual spend will be within the annual budget at year end.

COMMUNITY & ENVIRONMENT DEPARTMENT

Revenue Budget as at 30th September 2018

	Annual Budget £'000	Budget To Date £'000	Actual £'000	Variance (overspend) £'000
Expenditure				
Employees	13,897	6,980	7,086	(106)
Other Premises	2,026	1,158	1,161	(3)
Supplies & Services	1,389	743	642	101
Book Fund	160	73	65	8
Hired & Contracted Services	1,165	488	492	(4)
Food Provisions	470	240	209	31
School Meals Food	1,980	744	656	88
Transport	51	28	25	3
Other Agency Costs	390	194	183	11
Waste Disposal Contracts	5,900	3,306	3,352	(46)
Grants To Voluntary Organisations	67	17	2	15
Grant To Norton Priory	172	87	87	0
Rolling Projects	7	7	7	0
Capital Financing	101	101	101	0
Total Expenditure	27,775	14,166	14,068	98
Income				
Sales Income	-1,879	-945	-767	(178)
School Meals Sales	-2,368	-961	-839	(122)
Fees & Charges Income	-6,073	-3,329	-2,723	(606)
Rents Income	-225	-126	-111	(15)
Government Grant Income	-1,198	-1,018	-1,050	32
Reimbursements & Other Grant Income	-681	-271	-241	(30)
Schools SLA Income	-1,347	-1,347	-1,346	(1)
Internal Fees Income	-172	-92	-74	(18)
School Meals Other Income	-254	-105	-66	(39)
Catering Fees	-177	-83	-56	(27)
Capital Salaries	-123	-53	-61	8
Rolling Projects Income	0	0	-45	45
Transfers From Reserves	-125	-125	-125	0
Total Income	-14,622	-8,455	-7,504	(951)
Net Operational Expenditure	13,153	5,711	6,564	(853)
Recharges				
Premises Support	1,558	779	779	0
Transport Recharges	3,069	1,376	1,376	0
Central Support Services	3,665	1,871	1,871	0
Asset Charges	93	0	0	0
HBC Support Costs Income	-421	-286	-286	0
Net Total Recharges	7,964	3,740	3,740	0
Net Department Expenditure	21,117	9,451	10,304	(853)

Comments on the above figures

The net Department budget is £853,000 over budget profile at the end of the second quarter of the 2018/19 financial year.

Employee budgets are based on full time equivalent staffing numbers of 477.

Employee spend is currently over budget, mainly due to staff savings targets for the department which are not being met in all areas due to the need to maintain frontline services in areas such as School Meals and Open Spaces. Employee spend against budget to date has improved since Quarter 1 due to some areas operating with vacancies, although this is having an adverse impact on certain income streams. Casual and overtime usage across the Department is £260,685 over the profiled budget to date. Agency spend is over £43,000 higher than what it was at the same stage last year.

Income targets had been reduced by approximately £200k this year, although in many areas, the department will again struggle to meet the budgeted income amounts. Fees and charges will be the main source of concern again, with large shortfalls on Leisure Centre income due to cancelled classes as staff vacancies cannot be filled, and a continued reduction in the number of memberships being taken out. The Brindley is struggling to meet income targets and has suffered lower than expected ticket sales over the summer due to the World Cup and several weeks of unusually hot weather, although it is hoped that sales will increase coming in to the busier winter season. With no concert or significant event at the Stadium, planned events income will underachieve significantly at year-end.

Other areas where income targets are not being achieved include catering, event income, sponsorship income and architect fees within the Open Spaces division.

Sales income is again currently short of the target to date mainly due to Stadium Bars and Catering, and Municipal Catering. So far income is down on these activities compared to the same stage last year and there is no evidence to be able to project anything more hopeful for the remainder of the year. Currently sponsorship income for the Stadium is under review but this also stands to underachieve significantly by year-end.

Rental income is a concern with Liverpool and Everton Ladies not currently allowed to play at the Stadium under FIFA regulations. It is hoped this can be addressed with a new pitch on which work is due to start in Quarter, however this year's income will be significantly affected, and it is not certain that these tenants will return next year.

Based on current demand and estimated income streams it is forecast the department will be approximately overspent by £1.8m at the end of the year.

COMMUNITY & ENVIRONMENT DEPARTMENT**Capital Projects as at 30th September 2018**

	2018-19 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
Stadium Minor Works	50	25	17	33
Stadium Pitch	300	0	0	300
Brindley Cafe Extension	80	30	6	74
Children's Playground Equipment	61	0	-1	62
Landfill Tax Credit Schemes	340	0	0	340
Upton Improvements	13	0	0	13
The Glen Play Area	41	0	0	41
Runcorn Hill Park	5	5	3	2
Crow Wood Park Play Area	478	5	5	473
Open Spaces Schemes	611	100	128	483
Peelhouse Lane Cemetery	500	25	16	484
Peelhouse Lane Cemetery - Enabling Works	33	0	7	26
Phoenix Park	100	80	103	(3)
Victoria Park Glass House	170	0	0	270
Sandymoor Playing Fields	1,032	560	470	562
Widnes & Runcorn Cemeteries - Garage & Storage	190	0	0	210
Litter Bins	20	0	0	20
Total	4,024	830	748	3,390

ECONOMY ENTERPRISE & PROPERTY DEPARTMENT

Revenue Budget as at 30th September 2018

	Annual Budget £'000	Budget To Date £'000	Actual £'000	Variance (overspend) £'000
<u>Expenditure</u>				
Employees	4,308	2,362	2,395	(33)
Repairs & Maintenance	2,215	1,064	1,064	0
Premises	51	50	47	3
Energy & Water Costs	686	270	257	13
NNDR	542	541	541	0
Rents	353	212	221	(9)
Economic Regeneration Activities	17	4	4	0
Supplies & Services	1,649	1,099	1,094	5
Grants To Voluntary Organisations	36	24	24	0
Other Expenditure	25	13	13	0
Capital Financing	99	74	74	0
Total Expenditure	9,981	5,713	5,734	(21)
<u>Income</u>				
Fees & Charges Income	-248	-93	-92	(1)
Rent – Commercial Properties	-1,139	-15	-28	13
Rent – Investment Properties	-44	-20	-20	0
Rent – Markets	-773	-691	-687	(4)
Government Grant Income	-1,696	-1,696	-1,696	0
Reimbursements & Other Grant Income	-105	-58	-58	0
Schools SLA Income	-504	-465	-457	(8)
Capital Salaries	-62	-16	-16	0
Transfers From Reserves	-857	-512	-512	0
Total Income	-5,428	3,566	3,566	0
Net Operational Expenditure	4,553	2,147	2,168	(21)
<u>Recharges</u>				
Premises Support	1,965	983	983	0
Transport	26	11	11	0
Asset Charges	4	0	0	0
Central Support Services	2,121	1,085	1,085	0
Accommodation Income	-2,396	-1,198	-1,198	0
Repairs & Maintenance Income	-2,402	-1,201	-1,201	0
Central Support Income	-2,042	-1,021	-1,021	0
Net Total Recharges	2,724	-1,341	-1,341	0
Net Department Expenditure	1,829	806	827	(21)

Comments on the above figures

Economy Enterprise & Property budget is projected to be over budget at year end. The significant budget variances are listed below.

Employee budgets are based on full time equivalent staffing numbers of 122.

A recent restructure within the Department has helped reduce the anticipated negative variance on employee costs this quarter. There has not been a great turnover of staff this financial year and this is reflected in the staff turnover saving target not being achieved by the Department. Where possible, vacancies will not be filled in year and agency staff will be kept to a minimum and only used in statutory areas.

Following reconciliation by the energy providers, the Council has received a number of one off refunds relating to previous years utility charges.

Commercial Properties held by Halton Borough Council are fully occupied and this is reflected in the income to date. Quarter 2 shows the Department over achieved on rental income and this is profiled to continue in year.

School SLA income target has not been achieved this financial year. Due to the increase of staffing costs, SLA charges have increased, which in turn has meant that schools are choosing to use alternative services. Market rental income is under budget as at quarter 2. Following a restructure within the Department the main focus over the next few months will be to promote the markets, which will hopefully increase the income levels.

All savings put forward by the Department for 18-19 have been achieved this financial year. Every effort will be made to ensure that expenditure on controllable budgets is kept to a minimum within the financial year and where necessary budgets have been realigned to try and relieve budget pressures. It is currently forecast the department's net spend will be approximately £35k over the annual budget.

ECONOMY ENTERPRISE & PROPERTY DEPARTMENT

Capital Projects as at 30 September 2018

	2018-19 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
3MG	499	42	42	457
Sci Tech Daresbury – EZ Grant	382	243	243	139
Solar Panel Golf Course	1,278	19	19	1,259
Decontamination of Land	50	0	0	50
Former Crossville Depot	440	83	83	357
Advertising Screen at The Hive	100	0	0	100
Murdishaw	38	0	0	38
Venture Fields	41	0	0	41
Widnes Market Refurbishment	1,191	813	813	378
Equality Act Improvement Works	150	0	0	150
Linnets Club House	287	22	22	265
Broseley House	1,190	711	711	479
Stadium Alterations	200	0	0	200
The Croft	30	0	0	30
Total	5,876	1,933	1,933	3,743

Comments on the above figures.

Widnes Market Refurbishment – The re-roofing contract (incl. internal decoration) is currently in delay with anticipated completion W/C 22nd October (subject to weather conditions). A Notification of Delay letter has been submitted by the contractor and this is currently being assessed.

The remaining Widnes Market projects will be postponed until the final costs for the re-roofing works are confirmed.

Broseley House - The vacant upper floors have been secured where necessary to prevent unauthorised access, and are in the process of being cleared of all debris following vandalism prior to HBC purchasing the property. Minor improvement works have been carried out to the front parking area to make the area safe and the external oil tank building to the rear of the main building is soon to be demolished to help reduce anti-social behaviour in the area.

3MG - Alstom have completed the relocation of its Preston workforce to Widnes and now has 206 people on the Widnes Site. Discussions have commenced with Alstom to extend their option for a further 18 acres as the current option expires on 31 December 2018.

Stobart have completed a new headquarters at Viking Park for their Energy division and have completed a sale and lease back to raise capital to further invest in the site, starting with land remediation.

Solar Panel Golf Course –The Council are in the process of updating the design based on technical advice. Once finalised this will start the preparation of the main design and build contract and hopefully go out to tender at the beginning of November. Planning approval for the scheme was granted in May 2018

8.0 Application of Symbols

Symbols are used in the following manner:

Progress Symbols

<u>Symbol</u>	<u>Objective</u>	<u>Performance Indicator</u>
Green 	Indicates that the <u>objective is on course to be achieved</u> within the appropriate timeframe.	<i>Indicates that the annual target <u>is on course to be achieved</u>.</i>
Amber 	Indicates that it is <u>uncertain or too early to say at this stage</u> whether the milestone/objective will be achieved within the appropriate timeframe.	<i>Indicates that it is <u>uncertain or too early to say at this stage</u> whether the annual target is on course to be achieved</i>
Red 	Indicates that it is <u>highly likely or certain</u> that the objective will not be achieved within the appropriate timeframe.	<i>Indicates that the target <u>will not be achieved</u> unless there is an intervention or remedial action taken.</i>

Direction of Travel Indicator

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