

# Employment, Learning, Skills and Community PPB – Priority Based Monitoring Report

Reporting Period: **Quarter 2 – 1<sup>st</sup> July 2019 – 30<sup>th</sup> September 2019**

## 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 2019/20 for service areas within the remit of the Employment, Learning, Skills and Community (ELSC) Policy and Performance Board.
- 1.2 Key priorities for development or improvement in 2019-20 were agreed by Members and included in Directorate Plans, for the various functional areas reporting to Employment, Learning, Skills and Community (ELSC) Policy & Performance Board i.e.
  - Employment, Learning and Skills
  - Library and Culture and Leisure 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 during the period which include:-

### Employment, Learning & Skills

- 2.2 With support from HBC's External Funding Team, the Division submitted a number of external funding bids in Q2:
  - Skills Capital – a range of digital and break out area equipment for Kingsway Learning Centre c.£500k
  - Skills Capital – Improved Facilities bid for Kingsway Learning Centre c. £500
  - ESF/YEI - this bid would enable a large scale young person's employment programme which would create nearly 200 paid ILM work placements, with a focus on the adult social care sector in the borough – c. £4.2m
- 2.3 ESF – proposal to create a new Skills & Apprenticeship Hub overseen by the LCR Combined Authority. This bid would enable the continuation of the LCR Apprenticeship Hub and the CA's Skills for Growth Service. The outcome of a SIF bid to complement the ESF bid will be known in Q2. If successful, the Skills & Apprenticeship Hub team will be scaled up across the whole Liverpool City Region circa. £5m.
- 2.4 Devolution of the Adult Education Budget came into play on 1<sup>st</sup> August 2019. This sees the budget for HBC's adult learning team managed by the Combined Authority. As well as the grant funded AEB providers (local authorities and FE colleges), the Combined Authority commissioned a range of other providers to deliver on AEB. During Quarter 2 the Divisional Manager met with a number of these providers to ensure no duplication in the borough.

- 2.5 Constructive discussions between the ELS Division, HBC's Adult Social Care Service and Riverside College took place in Q2 with regards to a joint project to help train and recruit local people into jobs within the 4 care/nursing homes recently brought into council ownership.
- 2.6 A staffing restructure within Halton People into Jobs was completed in Quarter 2 and the new staff structure is now in place. HPIJ still remains on a Performance Improvement Plan with Ingeus in relation to the challenging DWP Work & Health Programme.

### **Library and Culture and Leisure Services**

- 2.7 The Library service is presently working with the Audience Agency which is a National Portfolio Organisation which assists the cultural sector to build reach, relevance and resilience through the use of research and insight. This will allow the service to better understand audience needs and provide tools to increase understanding and participation.
- 2.8 The Library Service has been accepted onto the national Change Creation Programme - specifically designed for leaders who have a change or development that will make their organisation more resilient and who know that working together with other like-minded leaders generates amazing results. Halton Libraries will be part of a cohort which includes arts organisations from across the country.
- 2.9 A new Leisure Centre on Moor Lane is planned and work has commenced with Wates Group, who are one of the largest privately-owned construction, development and property services companies in the UK, to confirm the Project Brief and Preconstruction Agreement. Stakeholder and partner consultation will commence shortly and it is expected that the new build would be completed by autumn 2022. Executive Board will be provided with a further progress report in quarter 4.
- 2.10 Blood Pressure Readings can now be taken by Fitness Advisors at Brookvale Recreation Centre and Kingsway Leisure Centre, with Runcorn Swimming Pool, to follow in October. This enables the Leisure Service to add further value to the health awareness agenda across Halton.
- 2.11 On-line Payments will be introduced to enable customers to join Halton Leisure Centres online without the need to visit a centre. This will be a more efficient, accessible and convenient service for customers and will free up valuable staff resources, enabling Fitness Advisors to concentrate on improving retention and generating more customers/income etc. Anticipated implementation date is December 2019, with a January 2020 launch.
- 2.12 Promoting physical activity in the Leisure area continues to be a key priority. Nationally there is an increased focus on improving the physical activity levels within the general population. Halton continues to recognise its importance, supported by a number of national initiatives, designed to act as a catalyst for a change in attitude towards physical activity.
- 2.13 These include revised 'Physical Activity Guidelines from the Chief Medical Officer (CMO) 2019': The adult recommendation remains at 150 minutes per week but changes include 'Having no minimum amount of minutes required (minimum was 10 mins in 2011 guidance).
- 2.14 'Motivate to Move (M2M) 2019' is a guide for Health Professionals on the benefits of Physical Activity. The purpose of the M2M document is to give all health professionals, GP practices the tools and information to enable them to educate, motivate and encourage patients about the benefits of physical activity. The document presents evidence of the main health benefits for 23 health conditions where physical activity can promote improvements to health, Inc. cardio disease, cancer, diabetes, mental health etc. It recognises that most patients do not like being told what to do/told to exercise, and that most patients have negative thoughts about exercise. The report gives advice to health professionals/GPs regards a guiding style of consultation using motivational interviewing as opposed to direct advice.

2.15 'We Are Undefeatable' campaign 2019 is a new Health campaign launched in September 2019 to support the 15 million people who live with long-term health conditions to become more physically active. Led by 15 leading health and social care charities and headed up by Sport England the advertising campaign sets out to reassure the 1 in 4 people living with long-term health conditions regards the health benefits of physical activity. Includes TV, Radio and social media adverts.

#### Community Centres

2.16 The table below shows the income targets for the Council's Community Centres and indicates the current income position as at the end of September 2019. The final position for the first 6 months of the year is likely to be slightly higher than indicated as some outstanding income is yet to be credited to the respective accounts. Across the service, a large amount of income is received in quarter four and it is expected that most of the centres should exceed income targets.

Centre	Income Target	Income (to date)
Castlefields	£95,070	£49,725
Ditton	£96,570	£39,195
Grangeway	£71,140	£37,195
Murdishaw	£54,170	£14,700
Upton	£99,710	£41,900

2.17 During the school summer holidays (August) Castlefields hosted their annual summer fayre. There were a number of stalls, arts and craft activities and live entertainment provided by Aladdin's Cave. The event was attended by approximately 300 people.

2.18 In September staff from Castlefields Community centre organised, for the second year in succession, a coffee morning in support of Macmillan. The event was well supported by local businesses and well attended by local residents and helped raise £610 for the charity. Further information is available here: <https://hbcnewsroom.co.uk/brewing-up-funds-for-macmillan-at-castlefields/>

2.19 Similarly to Castlefields, August saw Murdishaw Community Centre host its annual summer fayre. There were a number of stalls, birds of prey exhibition and live entertainment provided by Aladdin's Cave. The event was attended by approximately 250 people.

2.20 A group led by a member of staff from Upton Community Centre has established a local community garden group. With the support of Area Forum, flower beds have been installed at the centre. The group has worked with the Community Payback team to clear the area from debris, making the area safe for its users and continues to work with Rainbows, Young Addaction and Halton Day Services to encourage children and vulnerable adults to participate in the initiative.

2.21 During the school summer holidays (August) the Upton Community Centre scheduled a four week programme of activities for children aged 7-14 years old. The centre, in partnership with HBC Sports Development team, delivered a variety of sports sessions including indoor archery, football, table tennis and indoor climbing. The sessions were very popular with approximately 180 children attending the eight sessions in total. Climbing wall sessions in particular proved very popular with the majority of sessions being oversubscribed. A number of parents commented on how valuable these events have become during the summer holidays and expressed their hope for the sessions to continue in the future.

2.22 Running from Monday 17th June 2019 to Sunday 4th August 2019 service users of the Community Centres were given the opportunity to provide feedback on Halton's Community Centres through customer satisfaction surveys. The Survey was available in each of the centres and online via the Community Centres and HBC websites. Overall responses were positive and the feedback obtained will be reviewed and, where appropriate and possible, comments will be used to help provide service improve improvements.

### 3.0 Emerging Issues

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

#### Employment, Learning & Skills

3.2 The sustainability of the Apprenticeship Hub Team managed by the Division is due to be confirmed in Q3 (4<sup>th</sup> October) at a meeting of the Combined Authority, where SIF funding bid will potentially be awarded. The funding will see a merger of the successful Apprenticeship Hub Team and the Combined Authority's Skills for Growth Service into a new Skills & Apprenticeship Hub which will have a number of functions:

- Employer engagement and brokerage around skills
- Back office record processing
- Promotion and celebration of apprenticeships to schools, young people, parents and broader communities
- Additional skills support for specific sectors and support the narrowing of gaps around females, BAME and those with disabilities

3.3 The outcomes of various European Social Fund bids will hopefully become known in Quarter 3. If successful, the Kingsway Learning Centre adult learning facilities and equipment would be significantly improved and digitalised. In addition, the existing Ways to Work programme would see it continuing until June 2023.

3.4 Quarter 2 saw the 2 Test & Learn Pilots associated with Adult Education Budget devolution being implemented. One is around digital marketing/web design and the other around a reading volunteer programme. These new additions to the adult learning curriculum will enable a wider audience to be catered for.

#### Library and Culture and Leisure Services

3.5 Leisure Centre membership has been stable in recent months. However, JD Gyms are opening a gym in November on Widnes Shopping Park, this will have significantly more equipment and classes available and this may impact upon and present a challenge to retaining Kingsway Leisure Centre members.

### 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 2019 – 20 Directorate Business Plans.

4.2 Progress concerning the implementation of any high-risk mitigation measures relevant to the Board 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.
- 5.2 The Councils latest annual progress report in relation to the achievement of its equality objectives is published on the Council website and is available via:






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

## 6.0 Performance Overview

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

### Employment, Learning & Skills

#### Key Objectives / milestones

Ref	Milestones	Q2 Progress
EEP 01a	To increase the Business Support Key Account Management (KAM) portfolio to 60 <b>by September 2019</b>	
EEP 01b	To increase the KAM portfolio to 75 <b>by March 2020</b>	
EEP 05a	To submit one bid for external funding to help sustain the service <b>by April 2019</b>	
EEP 05b	To extend the LCR Apprenticeship Hub Team <b>by April 2019</b>	
EEP 05c	To support 15% of those households registered on the Households into Work into work <b>by December 2019</b>	

### Supporting Commentary

EEP 01a/b

Because of competing priorities the current resource dedicated to KAM is reduced. The number of companies receiving KAM has, therefore, remained fundamentally static and the likelihood of meeting the target for increasing the portfolio is diminished.

EEP 05a/b/c

A number bids to the European Social Fund have been submitted in Quarter 2, and the LCR Apprenticeship Hub Team has been extended, as detailed within the Key Developments section of this report.

To date 15.8% of households have been supported into work.

### Key Performance Indicators

Ref	Measure	18 / 19 Actual	19 / 20 Target	Q2 Actual	Q2 Progress	Direction of travel
EEP LI 07	Number of companies benefitting from the Council's intensive Key Account Management Service.	55	60	56		
EEP LI 08	Number of Enrolments (Adult Learning).	1,618	2950	2490		
EEP LI 09	Number of People supported into work.	351	300	75		
EEP LI 10	Percentage of learners achieving accreditation.	25%	42%	27%		
EEP LI 11	Total number of job starts on DWP programme (Ingeus).	51	156	28		N/A
EEP LI 12	Number of new starts into permitted/paid work for local people with disabilities (over 12 month period).	55	75	28		
EEP LI 13	Number of Businesses Supported.	220	500	83		

### Supporting Commentary

EEP LI07 - As reported immediately above the KAM position remains static at quarter 2.

EPP LI08

Due to the academic year running August 2018 – July 2019 there are 2 sets of figures to report at Quarter 2.

Up to 31<sup>st</sup> July – there have been 2490 enrolments this academic year compared to 2201 in 17/18 (increase of 12%) An effective programme of marketing and promotional activities in the summer of 2018 resulted in **2490** adults enrolling on Adult Learning programmes in the 2018/19 academic year (August 2018 – July 2019). There was an increase of 52% of new learners in the 2018/19 academic year.

Up to September 30<sup>th</sup> – we had 498 enrolments compared to 557 in 17/18. The start of term was later this year (23<sup>rd</sup> September) and this will contribute to the slight decrease in figures but they are expected to rise for the next quarter.

N.B. a small proportion of learners make a direct financial contribution to their learning activity. Last year 26 learners paid 100% of fees and 39 Paid 50%. That is 2.6% of learners that pay something towards a course. With the introduction of the low wage pilot, the figure has reduced and is currently 11 paying learners which accounts for 1.6% of total enrolment.

#### EEPLI 09

More than 75 people were supported into work during quarter 2 but as yet further information is awaited from employers so the additional job starts have not yet been claimed. Cumulative job starts claimed to date for the 19 / 20 year is 140.

#### EEP LI10

Up to 31<sup>st</sup> July - 381 learners achieved accreditation in the academic year 2018/19, which is a 2% increase from the previous academic year.

The number of accredited qualifications was negatively impacted due to lack of tutor availability to continue the Functional Skills ICT Level 1 and Level 2 provision and low achievement in Level 1. A new ICT tutor has been recruited for the 2019/20 academic year. A long-term absence for one tutor also impacted on the achievement of accredited qualifications in Employability Skills.

Note – due to the increase of number of learners attending non-accredited courses, this has an effect on the overall total percentage of learners achieving accreditation. Only 32% of all learners were registered on an accredited course.

Up to 30<sup>th</sup> September – no learners have achieved accreditation as no assessments have been submitted

#### EEP LI11



There were 28 job starts in total for quarter 2 on the Work and Health Programme with the cumulative total for 19/20 being 44.

#### EEP LI12

28 individuals with health conditions/ disabilities were supported into paid employment during quarter 2 with the cumulative total for 19/20 being 48.

## Community Services

### Key Objectives / milestones





Ref	Milestones	Q2 Progress
CE 02a	Deliver a programme of extended informal learning opportunities meeting identified local targets - <b>March 2020</b>	
CE 02b	Develop a programme of cultural activity meeting identified local targets – <b>March 2020</b>	

### Supporting Commentary

A programme of activity has been delivered in Quarter 2 including IT Clinics, school class visits, science club, and STEM activities (science, technology, engineering, maths) such as coding and digital circuits.

Additionally in respect of cultural activity a programme of activity has been delivered in Quarter 2 including the introduction of Premium Content – top quality cultural activity priced at a newly introduced rate as part of the library service exploration into increasing income generation, demonstrating value and developing new audiences.

### Key Performance Indicators

Ref	Measure	18 / 19 Actual	19 / 20 Target	Q2 Actual	Q2 Progress	Direction of travel
CE LI 07	Number of active users (physical & digital resources) of the library service during the last 12 months.	614, 391	615,000	590,677		
CE LI 08	Number of physical and virtual visits to libraries (annual total)	636, 827	700,000	344,414		
CE LI 09	Increase in percentage of the population taking part in sport and physical activity at least twice in the last month (KPI 1 from Active Lives survey)	75.6%	76%	Refer Comment	Refer Comment	Refer Comment
CE LI 10	Percentage of people physically inactive (KPI 2 from Active Lives survey)	27.9%	27.5%	Refer Comment	Refer Comment	Refer Comment

### Supporting Commentary

CE LI 07 / 08 - Both library usage measures remain positive at quarter 2 despite a national decline. External funding and improved partnerships have both been used effectively to further support cultural and learning activities.

CELI 09/10 - Figures are not yet available for these measures and the focus in Halton will continue to encourage walking opportunities.



## 7.0 Financial Statement

### ECONOMY ENTERPRISE & PROPERTY DEPARTMENT

Revenue Budget as at 30 September 2019

	Annual Budget £'000	Budget To Date £'000	Actual £'000	Variance (overspend) £'000	Forecast Outturn Position £'000
<b><u>Expenditure</u></b>					
Employees	4,522	2,326	2,293	33	65
Repairs & Maintenance	2,137	1,059	936	123	246
Premises	63	53	53	0	(1)
Energy & Water Costs	683	275	278	(3)	(7)
NNDR	530	524	532	(8)	(6)
Rents	301	173	173	0	0
Economic Regeneration Activities	34	5	4	1	2
Supplies & Services	1,643	874	877	(3)	(7)
Grants To Voluntary Organisations	58	25	25	0	0
Transfer to Reserves	217	117	117	0	0
<b>Total Expenditure</b>	<b>10,188</b>	<b>5,431</b>	<b>5,288</b>	<b>143</b>	<b>292</b>
<b><u>Income</u></b>					
Fees & Charges Income	-348	-185	-185	0	0
Rent – Commercial Properties	-1,106	-436	-394	(42)	(84)
Rent – Investment Properties	-44	-21	-21	0	0
Rent – Markets	-771	-378	-373	(5)	(9)
Government Grant Income	-1,691	-400	-400	0	0
Reimbursements & Other Grant Income	-212	-129	-127	(2)	(4)
Schools SLA Income	-512	-485	-478	(7)	(13)
Capital Salaries	-113	-90	-90	0	0
Transfers From Reserves	-940	-592	-592	0	0
<b>Total Income</b>	<b>-5,737</b>	<b>-2,716</b>	<b>-2,660</b>	<b>(56)</b>	<b>(110)</b>
<b>Net Operational Expenditure</b>	<b>4,451</b>	<b>2,715</b>	<b>2,628</b>	<b>87</b>	<b>182</b>
<b><u>Recharges</u></b>					
Premises Support	1,868	934	934	0	0
Transport	28	14	14	0	0
Asset Charges	4	0	0	0	0
Central Support Services	1,975	1,003	1,003	0	0
HBC Support Income	-6,560	-3,185	-3,185	0	0
<b>Net Total Recharges</b>	<b>-2,685</b>	<b>-1,234</b>	<b>-1,234</b>	<b>0</b>	<b>0</b>
<b>Net Department Expenditure</b>	<b>1,766</b>	<b>1,481</b>	<b>1,394</b>	<b>87</b>	<b>182</b>

### Comments on the above figures

Finance has worked closely with Departmental colleagues to update the projections to try and achieve a balanced budget. The department continues to identify financial resources available to support the delivery of the service and allocate resources where needed most, whilst ensuring budget pressures are met.

The repairs and maintenance budget is forecast to be under budget, due to the works for new office accommodation at the Stadium being funded from capital.

Whilst the department can maintain effective control over expenditure, income still remains a budget pressure as majority of the income is externally funded and difficult to project.

Budgeted employee spend is based on full time equivalent staffing numbers of 127.

Due to a number of properties becoming vacant and some subsequently being disposed, rental income has reduced this financial year, causing budget pressures. Operating costs continue to be incurred where commercial properties become vacant.

School SLA income will not be achieved again this financial year. Although the department has increased the SLA charges for 19/20, 100% of the costs are not being recovered because of the need to use causal/agency staff to cover sickness/leave in delivering the service. A review of SLA charges will be undertaken ahead of the next financial year.

The Department has put a hold on all vacancies within the various service areas to ensure the staff turnover saving target is met and also help reduce the negative variance within the income budgets.

The 19/20 savings target put forward by the Department has been achieved in year and every effort will be made to ensure that expenditure on controllable budgets is kept to a minimum within the financial year.

The outturn forecast is currently projecting an under spend at 31 March 2020 in the region of £182k.

### **Capital Projects as at 30 September 2019**

	2019-20 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
3MG	126	40	40	<b>86</b>
Sci-Tech Daresbury – EZ Grant	96	40	40	<b>56</b>
Solar Panel Golf Course	1,209	21	21	<b>1,188</b>
Murdishaw Redevelopment	38	0	0	<b>38</b>
Venture Fields	41	0	0	<b>41</b>
Former Crossville Depot	127	127	127	<b>0</b>
Linnets Club House	50	32	32	<b>18</b>
Advertising Screen at The Hive	100	0	0	<b>100</b>
Equality Act Improvement Works	300	198	198	<b>102</b>
Widnes Market Refurbishment	100	32	32	<b>68</b>
Broseley House	15	12	12	<b>3</b>
Kingsway House Moves	464	119	119	<b>345</b>
The Croft	30	0	0	<b>30</b>
Moor Lane Depot	247	4	4	<b>243</b>
Manor Park	37	0	0	<b>37</b>
<b>Total</b>	<b>2,980</b>	<b>625</b>	<b>625</b>	<b>2,355</b>

**Comments on the above figures.**

**Sci-Tech Daresbury EZ Grant** – The remaining draw down for the project is being progressed by the Joint Venture. The project is currently out to tender with a contract award expected in September. Final draw down is expected in Quarter 3.

**Solar Panel Golf Course** – A main design, build, install and maintenance contractor has now been awarded and a final design has been agreed. Construction is likely to start on site during November with a view to complete and connect by March 2020.

**Linnets Club House** – All works completed to the junior block, new water and electrical supply works completed and the generator has been removed from site. All works to the new Linnets changing pavilion and ventilation system completed (retentions and final payments still to be made).

**Widnes Market Refurb** – Re-roofing works (including internal decoration works) complete; the remaining Widnes Market projects are currently being reviewed and prioritised in line with the remaining budget.

**Murdishaw Regeneration** – The department is exploring options for Council investment into projects which will further the masterplan. Currently costing up bus stops on Barnfield Way, new signage and improvement to the community centre. Will also cost further highways improvements to local centre.

**COMMUNITY & ENVIRONMENT DEPARTMENT**

**Revenue Budget as at 30 September 2019**

	Annual Budget £'000	Budget To Date £'000	Actual £'000	Variance (overspend) £'000	Forecast Outturn Position £'000
<b><u>Expenditure</u></b>					
Employees	14,453	7,150	7,228	(78)	(134)
Premises	2,034	1,169	1,236	(67)	(143)
Supplies & Services	1,005	636	647	(11)	(23)
Book Fund	135	74	71	3	5
Hired & Contracted Services	932	269	289	(20)	(40)
Food Provisions	450	208	207	1	4
School Meals Food	1,919	777	765	12	24
Transport	115	45	44	1	2
Agency Costs	394	245	196	49	64
Waste Disposal Contracts	6,140	166	166	0	(55)
Grants To Voluntary Organisations	67	12	12	0	47
Grant To Norton Priory	172	86	87	(1)	(1)
Rolling Projects	26	26	26	0	0
Capital Financing	46	46	56	(10)	(10)
<b>Total Expenditure</b>	<b>27,888</b>	<b>10,909</b>	<b>11,030</b>	<b>(121)</b>	<b>(260)</b>
<b><u>Income</u></b>					
Sales Income	-1,672	-846	-629	(217)	(434)
School Meals Sales	-2,305	-844	-789	(55)	(110)
Fees & Charges Income	-5,909	-2,911	-2,590	(321)	(651)
Rents Income	-207	-101	-107	6	12
Government Grant Income	-1,198	-1,198	-1,021	(177)	(177)
Reimbursements & Other Grant Income	-675	-174	-142	(32)	(64)
Schools SLA Income	-1,349	-1,349	-1,405	56	56
Internal Fees Income	-141	-67	-89	22	43
School Meals Other Income	-254	-105	-103	(2)	(4)
Catering Fees	-114	-25	-20	(5)	(30)
Capital Salaries	-173	-86	-88	2	5
Transfers From Reserves	-106	-96	-96	0	27
<b>Total Income</b>	<b>-14,103</b>	<b>-7,802</b>	<b>-7,079</b>	<b>(723)</b>	<b>(1,327)</b>
<b>Net Operational Expenditure</b>	<b>13,785</b>	<b>3,107</b>	<b>3,951</b>	<b>(844)</b>	<b>(1,587)</b>
<b><u>Recharges</u></b>					
Premises Support	1,499	749	749	0	0
Transport Recharges	2,365	1,194	1,099	95	191
Central Support Services	3,892	1,946	1,946	0	0
Asset Charges	146	0	0	0	0
HBC Support Costs Income	-647	-434	-434	0	0
<b>Net Total Recharges</b>	<b>7,255</b>	<b>3,455</b>	<b>3,360</b>	<b>95</b>	<b>191</b>
<b>Net Department Expenditure</b>	<b>21,040</b>	<b>6,562</b>	<b>7,311</b>	<b>(749)</b>	<b>(1,396)</b>

### **Comments on the above figures**

The net Department spend is £749k over budget at the end of Quarter 2 and the estimated outturn overspend for 2019/20 is £1.396 million.

Employees spend is over budget, primarily due to staff turnover saving target which is not being achieved in many areas due to the need to maintain front line services. This is a particular issue for Schools Catering due to the service operating over a large number of sites, with a small number of permanent staff at each site, meaning cover for staff absence is essential.

There has been a staffing restructure at the Stadium which came into effect in mid-June and this has resulted in a reduction in spend on permanent salaries. Spend on casual staff has decreased by 36k compared to the end of Quarter 2 in 2018/19, despite an increase in casual pay rates. The increase in casual pay rates continues to have a significant effect on The Brindley and the Stadium which rely on large numbers of casual staff due to the uncertain nature and timing of events.

There has been an error with the Matrix contract for agency staff which has led to the Council being undercharged over a number of years. The Department has incurred charges of £74k in respect of this error in the current year.

Budgeted employee spend is based on full time equivalent staffing numbers of 481.

Premises costs are £67k over budget at the end of Quarter 2. Repair and maintenance costs at the leisure centres are significantly over budget due to the poor condition of the ageing buildings. There has been a significant increase in both electricity and gas costs, which have impacted all of the sites managed by the Department. The biomass boiler at Brookvale Recreation Centre has been out of order for part of the year, meaning that gas has had to be purchased at additional cost from the backup supply from Ormiston Bolingbroke Academy.

Hired & contracted services spend is currently £20k over budget, mostly due to spend on acts at The Brindley. Artists performing at The Brindley are paid based on a percentage split of ticket sales. Ticket sales have been increasing year on year, and are forecast to increase again in 2019/20, therefore payments made to artists have had to increase due to the contract terms.

No invoices relating to the main waste disposal and recycling contracts have been received for 2019/20 which makes this area extremely difficult to project for. Projections based on similar tonnages to 2018/19 would lead to an overspend of approximately £55k across all of the contracts once reconciliations have been carried out by Merseyside Recycling and Waste Authority.

Sales income has underachieved by £217k in Quarter 2. The main issues are with catering sales at the Stadium and in the Commercial Catering division. Sales income at the Stadium has been adversely affected by lower attendances at Widnes Vikings matches since their relegation from Super League. Low Commercial Catering sales have been an issue for several years and the situation has not improved so far in 2019/20.

Registrars income appears to be recovering after a poor year in 2018/19 which was caused by a nationwide reduction in marriage rates. The General Register Office has increased statutory registration fees this year which is likely to lead to increased income for the service.

Fees and charges income is once again the main area of budgetary pressure within the Department. There is no major concert planned at the Stadium for 2019/20, therefore the associated £105k income target will not be achieved. Stadium executive suite hire dropped significantly last year due to the relegation of Widnes Vikings, and it is impossible to project anything more positive for the new season starting in early 2020. Fees income at the leisure centres is likely to underachieve in 2019/20.

A major reason for this is due to difficulties in the recruitment and retention of swimming and fitness instructors, leading to cancelled swimming lessons and a lack of fitness classes, and should therefore be

considered alongside a significant staffing underspend across the centres. There is also a new gym opening in Widnes in the autumn which could adversely impact membership income at Kingsway Leisure Centre.

The cancellation of the Vintage Rally means that the associated income target of £38k will not be achieved, while some costs for the event have already been incurred. Although some areas are struggling to achieve their budgeted fees and charges income, there are other areas within the Department that are performing well.

Crematorium fees are up by £68k on their Quarter 2 position last year, with the new resident's funeral package proving popular, as well as growth in the contract to provide cremations for a supplier of forest funerals. The green waste collection licence fee was increased for 2019/20 which has led to £87k more income being achieved in the first two quarters this year in comparison to last year.

Government grant income will underachieve in 2019/20 due to a shortfall in the Universal Infants Free School Meals Grant due to more schools converting to academy status. The shortfall in 2019/20 is £179k. This has had a significant impact on the Schools Catering budget.

Transport recharges are currently lower than expected in Open Spaces and Waste and Environmental Improvement leading to an underspend of £96k at the end of Quarter 2.

The outturn forecast is currently projecting an overspend at 31 March 2020 of £1.4m.

### **Capital Projects as at 30 September 2019**

	2019/20 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
Stadium Minor Works	39	20	0	39
Stadium Pitch	21	0	0	21
Children's Playground Equipment	154	85	42	112
Landfill Tax Credits Scheme	20	2	2	18
Upton Improvements	13	5	0	13
Crow Wood Park Pavilion	320	217	217	103
Crow Wood Park Play Area	20	10	10	10
Open Spaces Schemes	560	200	249	311
Peelhouse Lane Cemetery	939	400	92	847
Peelhouse Lane Cemetery – Enabling Works	11	5	7	4
Phoenix Park	3	3	3	0
Victoria Park Glass House	305	144	144	161
Sandymoor Playing Fields	40	25	27	13
Bowling Greens	32	10	2	30
Widnes & Runcorn Cemeteries – Garage & Storage	190	100	179	11
Town Park	200	75	7	193
Litter Bins	20	0	0	20
Community Shop	50	0	0	50
Libraries IT Equipment	94	83	83	11
<b>Total</b>	<b>3,031</b>	<b>1,384</b>	<b>1,064</b>	<b>1,967</b>

### **Comments on the above figures.**

**Stadium Pitch** - It was necessary to replace the iPitch last year as the previous pitch did not meet FIFA standards for football matches. The work is mostly complete and the pitch is now in use. The contractor needs to come back on site to complete some follow up works later this year.

**Children's Playground Equipment** - This is an ongoing project which includes spend on maintenance and improvements within the borough's playgrounds.

**Crow Wood Park** – This project comprises a replacement park building, upgrades to paths and entrances and further play provision, and is now more than 50% complete.

**Open Spaces Schemes** – This covers spending on a variety of externally funded projects, including works to Runcorn Locks, Sunnybank Park, Phoenix Park BMX Track, Runcorn Station Quarter, Hale Lighthouse Approach and Runcorn Hill Bowling Green.

**Peelhouse Lane Cemetery** – Work on the drainage at the site has now been completed. The main cemetery infrastructure works have now commenced and should be largely completed by the end of 2019/20.

**Phoenix Park** – Work at the site has been completed and the retention payment has been paid.

**Sandymoor Playing Fields** – The all-weather pitches and courts have now been completed and the grass pitches and planting are now in the establishment phase.

**Widnes & Runcorn Cemeteries - Garage & Storage** – Work at the Runcorn site is now complete and at the snagging stage. Work at the Widnes site is substantially complete, although there are still some contract invoices to be received.

**Town Park** –. The first phase of works on the southern paths have commenced and should be completed by the end of the year.




**Community Shop** – It is anticipated that the Council will release the funding to Community Shop in Quarter 3.

**Libraries IT Equipment** – The equipment has recently been installed in the libraries and is now in use. Most of the equipment has now been paid for, although there is an invoice for new coin boxes that has yet to be received.





## 8.0 Application of Symbols

Symbols are used in the following manner:

### Progress Symbols

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

### Direction of Travel Indicator

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