

# Directorate Overview Report – Enterprise Community & Resources

Reporting Period: **Quarter 2 - 1<sup>st</sup> July 2022 – 30<sup>th</sup> September 2022**

## 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 2022 / 23 for service areas within the remit of the Corporate Policy and Performance Board.
- 1.2 It covers key priorities for development or improvement in 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 emergence of the global COVID19 pandemic early in 2020 has had a significant and unavoidable impact upon Council services the full extent of which is yet to become known. The Council, along with key partner agencies, has prioritised its resources upon mitigating the serious risks to public health, the protection of vulnerable residents, and the social cohesion of the local community. In developing appropriate responses to emerging national and local priorities this situation is likely to remain the case for the foreseeable future.
- 1.4 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:-

### 2.2 Financial Services

#### Benefits

##### Processing Times

At 30<sup>th</sup> September 2022 processing times for Housing Benefit and Council Tax Reduction were as follows: new claims 25.50 days and changes in circumstances 14.10 days.

##### Universal Credit Implementation

The Department for Works and Pensions (DWP) statistics indicate at 8<sup>th</sup> September 2022 there were 15,509 people within Halton claiming Universal Credit. On 25<sup>th</sup> April 2022 the government made an announcement that all claimants on legacy benefits will be transferred to Universal Credit by the end of 2024.

Currently there are six areas in England where claimants on legacy benefits are being invited by the DWP to migrate to universal credit, and they are Bolton, Falmouth, Harrow, Medway, Northumberland, and Truro.

#### Household Support Fund

As mentioned in the Monitoring Report for Q1 a spending plan for the Household Support Fund (HSF) covering the period 1<sup>st</sup> April 2022 – 30<sup>th</sup> September 2023 was developed. The Council has now spent the HSF by supporting vulnerable families with children by issuing free school meal vouchers in the school holidays and helping pensioners who are receiving council tax reduction by making a £120 payment. In addition local partners including the Halton Citizens Advice Bureau, Runcorn and Widnes food banks, and Halton Voluntary Action have assisted residents from the HSF.

### **2.3 Audit, Procurement & Operational Finance**

#### Invoice Payment Performance

As at the end of quarter two, 90.6% of the Council's supplier invoices had been paid within 30 days of receipt.

#### Early Payment Scheme

The Council's contract with an external provider to deliver an early payment scheme for supplier invoices expired in August 2022. The scheme is now being delivered without any external support, which ensures that any rebate generated by paying supplier invoices early will be retained in full by the Council.

Income from the scheme amounted to approximately £50k in 2021/22. Income for 2022/23 is expected to exceed £60k.

#### Income management

The Council is currently in the process of upgrading its systems for receiving web-payments in order to ensure that Mastercard payments can continue to be taken after January 2023. Once the new web-payments module is implemented, the Council's system for receiving telephone payments will then be upgraded to ensure that the arrangements are compliant with the requirements of the Payment Card Industry Data Security Standard (PCIDSS). PCIDSS is an information security standard designed to reduce payment card fraud by increasing security controls around the security of cardholder data.

#### Financial assessment tool for Adult Social Care

Work is underway to provide adult social care service users with the facility to complete their financial assessment applications via a secure online portal. The system is easy to use and includes a range of animations to explain to the individual why certain questions are being asked. Providing this reasoning, especially around some of the financial questions, helps to take away the worry many service users currently experience when being asked to share personal information.

The portal will give an instant indication to the user about how much they would need pay towards a care package. Providing this upfront estimate allows the service user to make a much more informed decision when considering their care options. Assistance with completing the online form will be given to anyone that requires it.

The new process will result in financial assessments being completed more quickly. This will allow timelier invoicing of care fees and the sums invoiced will not be a surprise to the service user. As a consequence, there are likely to be fewer invoice queries for the Council to investigate and ultimately more invoices being paid promptly.

The initial phase of implementation has been completed with the first version of the system available for testing due by mid-November. It is anticipated that live roll-out of the portal could begin early in the new year.

The system will also help the Council to better manage the increased volume of financial assessments that will result from the Government's proposed cap on care costs due to be implemented in 2023.

## **2.4 Revenues and Financial Management Division**

### 2022/23 Quarter 1 Spending

For the financial year to 30 June 2022, overall Council operational net spending was £22.4m against a budget of £21.2m, resulting in an overspend position to date against budget of £1.2m. The forecast position for the year to 31 March 2023 was an estimated overspend of £5.4m.

Capital spending at 30 June 2022 totalled £5.6m, which is 116% of the planned spending of £4.8m at this stage. This represents 16% of the total Capital Programme of £33.9m (which assumes a 20% slippage between years).

The updated financial forecast and picture of net spending to 30 September 2022 will be reported to Executive Board on 17 November 2022.

### Council Tax and Business Rate Collection

Council tax collection for the 2<sup>nd</sup> quarter of the year is 54.45%, down 0.13% on this point last year. Cash collection for the year to date is £40.4m, this includes £1.2m collected in relation to previous year debts.

Business rates collection for the second quarter of the year is 61.54%, up by 6.78% on this point last year. Cash collected for the year to date is £33.2m. The in-year collection rate has been helped by credits placed against accounts following awarding of 2021/22 rate reliefs funded by the Government Covid Additional Relief Fund.

### Energy Bills Rebate Scheme

The energy bills rebate scheme (excluding discretionary payments) ended on 30 September 2022. This included a £150 non-repayable grant payment for households in council tax bands A to D, known as the Council Tax Rebate Grant. In total 51,489 grants were awarded totalling £7.723m.

### Covid Additional Relief Fund

In December 2021 the Department for Levelling Up, Housing and Communities (DLUHC) announced a new COVID-19 Additional Relief Fund (CARF) of £1.5 billion. The fund is available to support those businesses that pay business rates, who are affected by the pandemic but that are ineligible for existing support linked to business rates. Halton has been allocated an amount of £3.087m. The scheme ended on 30 September 2022, rate relief of £2.935m was provided to eligible businesses within the borough.

## **2.5 Human Resources, Organisational Development, Policy, Performance and Efficiency**

The three services within the HR Service Centre (Resourcing & Recruitment, Payroll & Pensions and Employment Relations) remain under significant pressure in the current year. Additional demand persists across all areas. The current service configuration is now being examined and consideration given to how the Council's HR service may need to be re-shaped to deliver what is now required by the wider Council. This will be informed by work within the emerging Transformation programme.

Despite significant challenges in terms of volume, the service has delivered positive results in the recruitment and initial pay administration of a large number of new recruits across Halton schools in time for the start of the academic year, as well as maintaining a flow of recruitment and pay administration to new starters in the Council. The Employment relations function has proactively supported a number of restructures across the organisation, whilst continuing to balance a higher than average volume of HR casework.

The service has supported the People Directorate to recruit to the vacancies of Operational Director Children's Social Care and Operational Director Education, Inclusion and Provision. Two successful appointments were secured, delivered collaboratively with North West Employers.

The Institute of Leadership & Management (ILM) qualification level 3 that began in April 2022 has now been completed and 12-employees have now successfully completed the qualification. The successful employees attended a celebration event where the CEO presented the employees with their ILM certificates of achievement,

This demonstrates the value the organisation places on learning and enhances our commitment to continuous professional development. A further cohort commenced in September 2022 with 9-employees undertaking the qualification that covers Understanding Leadership and Solving Problems and Making Decisions.

The Leadership & Management Framework (LMF) continues to be delivered across the organisation, however, concerns still remain regarding attendance. The LMF is now mainly delivered via face to face sessions with only the Developing Resilience Module being delivered via MS Teams. The latest attendance figure, of 25%, is a result of only 4 out of 13 managers attending. A full review of the content and the delivery method will be undertaken in quarter 4 to ensure the programme is still meeting the needs of the organisation.

The team delivered the Coaching for Performance programme within this quarter and received very positive feedback for this programme

2294 e-learning modules have been completed in the quarter, demonstrating that this is now mainstreamed and effective method for the delivery of a broad range of learning.

Much of the Partnership working undertaken during the quarter has focused on the supporting of individuals from Ukraine, and those within the scope of the Asylum Seeker and Refugee community. The service has continued to support the coordination of the 'Homes for Ukraine' scheme within Halton.

## **2.6 ICT and Administration**

**Staff returning to the office locations**, a large proportion of the ICT, Administrative and Customer Services staff throughout the COVID periods have rotated through the offices or have been in many cases permanently based within the offices; the proportion of staff that have been primarily based at home are now rotating through the office locations on a team-by-team basis or as part of a 40% Rota system. This is working well, and all staff are supportive of the return with a 100% return linked to home working to maintain the hybrid working process across all teams.

The ICT teams **covered all emergency** calls effectively, with all calls resolved quickly without any disruption to key services. Software Systems and Hardware maintenance plans remain in place linked to out of hours and weekend working to compliment extended front-line working hours.

## Contact Centre

Service Area	Contact Centre cases	Percentage
Adult Social Care	5626	19.43%
Waste Management	5556	19.19%
Council Tax	5473	18.91%
EDT	2945	10.17%
Childrens Social Care	1943	6.71%
Corporate Processes	1316	4.55%
Registrar	929	3.21%
Benefits	777	2.68%
Environmental	729	2.52%
Highways	631	2.18%
Housing Solutions	421	1.45%
Open Spaces	386	1.33%
HBC - OOH Procedures	328	1.13%
Unknown	280	0.97%
Finance and Support Services	200	0.69%
Halton Housing Trust	199	0.69%
Education	188	0.65%
Planning and Building Control	176	0.61%
Property Services	161	0.56%
Transportation	148	0.51%
Revenues	140	0.48%
Community And Leisure	136	0.47%
HDL - internal procedures	94	0.32%
External Agencies	70	0.24%
Legal and Licensing	39	0.13%
Families Information Service	16	0.06%
Economy	11	0.04%
ICT Services	11	0.04%
Risk and Emergency Planning	10	0.03%
Human Resources	7	0.02%
Fleet Management - MOT	1	0.00%
OLD SHPS - no longer used	1	0.00%
Grand Total	28948	

## One Stop Shops

Service Area	HDL HaltonLea	HDL Widnes	Grand Total	Percentage
Council Tax	2150	2259	4409	27.50%
Adult Social Care	1447	1682	3129	19.52%
Finance and Support Services	1130	1109	2239	13.97%
Waste Management	429	647	1076	6.71%
Corporate Processes	401	337	738	4.60%
Benefits	382	294	676	4.22%
Housing Solutions	280	230	510	3.18%
Childrens Social Care	307	74	381	2.38%
Highways	158	223	381	2.38%
Open Spaces	187	186	373	2.33%
Education	184	173	357	2.23%
Environmental	176	158	334	2.08%
Transportation	162	122	284	1.77%
Planning and Building Control	64	89	153	0.95%
Human Resources	73	60	133	0.83%
Property Services	57	75	132	0.82%
Community And Leisure	64	51	115	0.72%
Revenues	38	68	106	0.66%
HDL - internal procedures	43	58	101	0.63%
Registrar	48	37	85	0.53%
External Agencies	35	44	79	0.49%
Halton Housing Trust	44	20	64	0.40%
Unknown	13	46	59	0.37%
Legal and Licensing	24	24	48	0.30%
Economy	14	22	36	0.22%
Families Information Service	3	8	11	0.07%
HBC - OOH Procedures	3	5	8	0.05%
Tourist Information	2	3	5	0.03%
EDT	2		2	0.01%
HHT OOH	1	1	2	0.01%
Risk and Emergency Planning	2		2	0.01%
Youth Services		2	2	0.01%
Grand Total	7923	8107	16030	100.00%

## 2.7 Legal and Democracy

The arrangements for the new Merseyside and Cheshire Joint Scrutiny Committee were approved by Council in July, which also endured an associated protocol. Halton's two Members of the new Joint Committee were invited to an induction event in Knowsley, which took place in September. The final appointment in the Democratic Services team was made in October, meaning that the team is at full strength again.

A start date was agreed with the new Licensing Enforcement Officer, who will join us early in Quarter 3. The Communications & Marketing and Democratic Services team made an important contribution to the Council's part in Operation London Bridge.

## **2.8 Catering, Stadium and Registration Services**

### **School Meals Service**

School meals has seen an increase in uptake on FSM, Paid and UIFSM. This will be monitored throughout the year as we normally see drop offs when year 11 finish their exams.

An internal audit report has identified several areas for improvement which will be addressed by the end of December 2022.

Food prices have risen with the last 12 months by up to 20% which has a negative effect on the forecasted outcome.

The service is not operating at full staffing capacity currently with 10+ vacancies on the structure to fill.

### **Civic Catering**

A decision was made by Members to close the Civic Catering function at Municipal Building and Halton Lea Library. This decision was made quite swiftly and as a result all the staff were put at risk of redundancy and given the opportunity to apply for positions left in the new structure for Civic Catering and also any other HBC positions. Unfortunately two employees left the authority and took voluntary redundancies.

### **DCBL Stadium**

- All community groups i.e. Boxing Club, Table Tennis and Kick Boxing are all now paying the correct community hire charge.
- The stadium hosted the Halton and Warrington Children of the Accent Music Hub, which seen in excess of 500 local school children perform to over 1000 family members.
- The Halton Chamber of Commerce business awards returned to the stadium for the third year running. Which saw 440 local business guests come together to celebrate business in Halton.
- Everton Ladies academy approached the stadium to use the facilities on a more frequent basis which would include training and academic programmes relocate to the stadium an agreement has now been drafted and agreed.
- Widnes Vikings season ended with varying performances resulting in a downturn in attendances and therefore having a detrimental effect on turnover on match days.  
The total attendance for the season was 26,818 over 13 matches which averages 2063 per match. With the last 3 matches averaging 1,550.
- Weddings and events have started to return to the stadium steadily since covid restrictions have been completely lifted. However the meetings and conferences are some way off the pre-pandemic levels.
- The management team are liaising closely with HBC Communications and Marketing division to develop a marketing plan/strategy which will see more in house events to generate additional income and also promote the current offering. The first of which was the Mayors Charity Soul night.
- The Rugby Football League chose the stadium to host a prestigious Origin Academy Match (Lancashire v Yorkshire). The feedback was very positive and we hope to work with the RFL more in the future.
- Widnes FC have started a new season and unfortunately have had a bad start to the campaign and sit 20<sup>th</sup> in the league.
- The British Drum Corp Championships was unfortunately cancelled for 2022 due covid disruption throughout the season, however they have booked for the following year.
- The decarbonisation programme was completed which will result in reducing the stadium carbon footprint and energy consumption/costs. This project has also been shortlisted as heat pump project of the year by the Chartered Institute of Building Surveyors.
- The Stadium hosted its second pop concert that saw Bryan Adams perform in front of over 7,000 people.
- Supported the legal democratic services in opening the book of condolence and provided staff for kings proclamation readings held at Runcorn Town Hall and Municipal Building.

## **2.9 Property Services (Operations)**

### St Patrick's Nursing Home Redevelopment

Design development works ongoing in respect of proposals to build a new 16 bed extension and refurbish remaining accommodation. Works planned to be carried out in 2 phases with an estimated works cost of £2.6m, anticipated start on site in April 2023

### St Luke's Nursing Home Refurbishment

Design development works ongoing in respect of proposals to refurbish existing accommodation in 4 phases, estimated works cost of £1.1m, anticipated start on site in April 2023

### Proposed New Leisure Centre Moor Lane

The CPO has now been completed, vacant possession of the site being obtained on August 24<sup>th</sup>. The contractors have completed their updated tender exercise. A report will be presented to the Executive Board in October seeking final approval. Site mobilisation is due to start on early November with a main works start date of 28<sup>th</sup> November. Some enabling works are ongoing mainly service diversion works.

### Education maintenance programme 2022/23

The 2022/23 Education maintenance programme was approved by Council In March. The programme now consists of 13 separate projects with an estimated cost of circa £780k. 9 projects were completed across the summer holiday period, the remaining 4 will be completed over the next few months working in conjunction with the schools so as to cause as little disruption as possible.

### Corporate Maintenance programme 2022/23

The 2022/23 Corporate maintenance programme has been approved by the Asset Management Working Group. A number of projects have now been completed, others are on site or at the design development stage, all the budget is anticipated to have been spent by year end.

### Mersey Gateway Handback Sites

The settlement deed, in respect of the remaining outstanding works on the handback sites has now been executed and signed by all parties so the majority of the land has been deemed to be handed back to the Council. There are some minor exceptions associated with land where third parties have an interest. UU have completed all remedial works on site A & C, and these sites have been handed back. All necessary outstanding work on the handback sites, mainly Wigg Island and Spike Island will be completed by HBC using the funds set aside by the agreement.

### 71 High Street Runcorn- Refurbishment

Works have now been completed and the building handed over and is ready for occupation by the tenants.

### Camden Buildings, High Street- refurb to create digital/creative hub

Design development works have progressed to a stage which allowed the Town Deal business case to be submitted in August. It is anticipated that the outcome of the submission will be known In late October following which it is hoped that design works will continue to bring the scheme to tender stage.

### Brookvale Rec- Proposed Refurbishment works

A feasibility study is currently being carried out in respect of possible redevelopment and refurbishment works to the leisure centre, the study is due prior to the end of September.

### Pickering Pastures- Proposed new pavilion building

A revised feasibility study has been provided following close consultation with Open Spaces, funding options are being considered.

### Cavendish School - 2 class extension

The project has recently been out to tender and the evaluation is still be undertaken. The planning application has still to be approved. It is anticipated that works will commence on site in the October half term break.



### The Brindley- Proposed extension

Design development works have progressed to RIBA stage 3 and the business case in respect of the Town Deal fund has been submitted. The preferred option has been agreed with a budget cost estimate of £5.6m.

### Runcorn Library redevelopment

Design development works ongoing to create an NHS Health & Education hub. The feasibility study has been completed and circulated for comment, budget cost £1.8m.

### Elite House- Redevelopment

Design development works ongoing to create starter units for the high tec. business sector. RIBA stage 1 feasibility report issued by architects for comment and feedback.

### Changing Places Facilities

Funding has been secured for 3 Changing Places facilities which will be in Victoria Park, Shopping City and the Stadium respectively. Design work has now started in respect of these and they will be delivered over the coming months. Works on the stadium facility started in late September, completion being due in November, the others will follow in due course.

### Decarbonisation Projects

Following completion of the decarbonisation works at the stadium further feasibility studies have now been undertaken in respect of carrying out further work at buildings subject to funding. Funding opportunities are currently being explored as such it is anticipated further bids will be submitted in due course.

### Asset Management

5 Granville Street, Runcorn – new lease commenced 1 July 2022

Hair Essentials vacated premises Moor Lane Widnes – 24 August 2022

## **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:-

### **3.2 Benefits**

#### Household Support Fund 3

The government have extended the Household Support Fund (HSF) to cover the period 1<sup>st</sup> October 2022 – 31<sup>st</sup> March 2023. The Fund is intended to support vulnerable households with the pressures caused by the significantly rising cost of living. The DWP has changed its guidance relating to the distribution of the funding in two areas, firstly there will be no ring fence of any proportion of funding for any particular cohort of people. The second change is a requirement for all local authorities to operate at least part of the scheme on an application basis i.e. residents should have the opportunity to come forward to ask for support.

A spending plan has been developed that includes allocating £178,000 to the Discretionary Support Scheme, which has an existing telephone application process, and this will meet the requirement to operate part of the HSF scheme on an application basis. The Council will also provide assistance to vulnerable households with children by issuing free school meal vouchers of £12 per week during the school holidays. In addition vulnerable pensioner households who are receiving council tax reduction will be assisted by being awarded a payment of £100. Also local voluntary organisations including Halton Citizens Advice Bureau, Runcorn and Widnes food banks, Energy Projects Plus, and Halton Voluntary Action have been given an allocation from the HSF.

### **3.3 Audit, Procurement & Operational Finance**

#### Insurance

The cost of the Council's insurance arrangements is likely to increase in 2023/24 as a result of the uncertain UK and global economic outlook and the impact of the current inflationary pressures. The Council's property insurer is recommending that sums insured are increased by at least 20% in line with the Building Cost Index (BCI), which tracks the costs being incurred by contractors in the course of their business. Increasing the value of the sums insured will have a commensurate effect on the premium cost.

Motor premiums are also anticipated to increase by approximately 10% in 2022/23. Increases are being driven largely by claims cost inflation. Increased labour and utility costs are a significant factor. Additionally, the supply chain to the motor industry has also been impacted by the UK's withdrawal from the EU and the war in Ukraine. This is leading to delays in the completion of some repairs and increased vehicle hire costs.

No indication has yet been received regarding potential renewal terms from the Council's liability insurer.

### **3.4 Human Resources, Organisational Development, Policy, Performance and Efficiency**

Harsh labour market conditions continue to create challenges in the resourcing of many service areas. This matter was the subject of a comprehensive report to the Corporate Policy & Performance Board on 6<sup>th</sup> September 2022. In response to this ongoing issue, the service is progressing work around the re-engineering of the recruitment process, the setting up of specific recruitment campaigns for blocks of vacancies – i.e. Adult Care, and Planning. At the time of writing, there are 195 Council Vacancies in the recruitment workflow, 185 vacancies pending action, and 90 school vacancies in progress. Additional resources are being drafted into the team to support recruitment work over the medium term. Sub-regional economic data shows that paid employment in the Liverpool City Region is at an all-time high, thus it is clear that labour market challenges are set to remain for some time to come.

Linked to the issue above, the use of agency workers continues to be high. A reduction in usage will come about as Children's Services amend their resourcing model during Q3, however a significant reduction can only occur as the recruitment issues outlined above are resolved.

The Local Government sector pay claim for 2022/23 remains unresolved. In response to the national joint trade union claim for the current year, Local Government employers made an offer of £1925 per FTE. This equates to an increase of circa 10% for the lowest NJC grades and 4.4% for the highest. Trade Unions have balloted their members, however an agreement has not yet been reached. National employers and trade unions are due to meet on 1<sup>st</sup> November to consider ballot outcomes. It should be noted that the level of pay increase is unprecedented in recent times and will put extreme pressure on the Council budget. The claim for 2023/24 has not yet been made, however given prevailing national economic conditions and the rate of inflation, it is expected to be of a similar magnitude to the 2022/23 claim.

A watching brief is being kept on employment relations issues across the sector. It is anticipated that teaching staff in some trade unions will be balloted on action related to pay awards.

The retained EU law (revocation and reform) Bill was published on 22 September 2022. EU derived law will expire on 31 December 2023 unless by then the Government has decided to retain it (it can extend deadline to 31 December 2026), and at this stage it is unclear what this will mean for current UK HR legislation. This situation will be monitored and reported in future reports as appropriate.

### **3.5 ICT and Administration**

**The rollout of M365 (Office 365)** is well underway. Allowing the IT teams the opportunity to evolve the on premise-based services and start to utilise the new and powerful cloud-based systems and services associated with the E5 licensing agreement from Microsoft.

This new licensing agreement now encompasses telephony in the form of Teams, together with a multitude of additional services that will be incrementally introduced to our user base over the next 12 – 18 months.

As you may have noticed the 1<sup>st</sup> part of this development was to migrate our vast email estate over to the Microsoft cloud this introduced a small number of issues to just over 100 people but in comparison to date over 2000 accounts have moved seamlessly without issue or any change to our client's user experience. This is a major task for the teams involved and should be noted given the considerable efforts and out of hours work undertaken to complete this.

Now the base level has been completed with our Directory Services and Email moved to M365, the next considerable task ahead of the team will be to integrate and move SharePoint service and all associated data sets and My Document Folders – again this is a considerable task and is currently within the planning stage – this will link all users with their data sets and then allow the new and innovative services associated with Teams and SharePoint to be introduced to the user base.

As noted, Teams will over the coming months become the main telephony system as at some point Skype will be decommissioned and all users will be moved over to the M365 cloud-based telephony solution Teams. Issues with a Virgin Media SIP Trunk installation project set to deliver a connection within key network locations for the authority, now 3 months late because of delays at the supplier end, contributing to the delays associated with the decommissioning of Skype.

#### **Key changes this quarter:**

Schools email is now being removed out of the corporate system with a new solution dedicated to the delivery of all email and systems requirement – this is a highly complex and time-consuming process but will allow for school's compliance with Corporate security compliance and to utilise their own email account names rather than the current HBC /. sch, address.

Changes to corporate mobile device management solutions - all users of corporate devices will be contacted and set up with the new systems.

Training will form a large part of this roll-out with on-line resources being made available to all users as well as the creation of "Super Users" who will be offered additional training to support their colleagues from within the teams. Admin will form the main base for our training plan as well as other users that may come forward for the additional training allowing a wider training resource rather than a bottle neck at the helpdesk as we only have 2 people within this area.

In addition to the M365 changes considerable efforts are also underway to upgrade and update the desktop experience, this will bring with it additional and essential security update and management systems that will secure and support our corporate devices from Mobile Phones, iPads, and Laptops.

Linked to this upgrades and updates will be introduced to the VDi environment support M365 together with new security systems offering greater levels of security compliance.

#### **Policy Revisions Information Governance:**

Technical policies (for example: passwords, patch management policies etc.) and organisational policies (those that directly impact users – AUP, data classifications, sensitivity labels, retention etc) are to be brought to together and managed by the IG team under a single [framework](#) to consolidate, remove duplication, and create awareness around the distinction between the two types.

### **3.6 Legal and Democracy**

Key officers throughout the department will continue to support the transformation programme. Significant pressures continue in the Children's Social Care team in Legal Services, due to increasing workload.

The Legal team is continuing to provide advice in respect of Major Projects and Adult Social Care on important issues.

The welcome arrival of the new Licensing Enforcement Officer will enable greater visibility and effectiveness.

### **3.7 Community & Environment**

#### **School Meals Service**

With the food costs continuing to rise this puts significant pressures on achieving budget.

The cost of living crisis is impacting paid meals served at KS2, KS3 and KS4.

#### **Civic Catering**

Civic Catering is no closed with only a café facility at the Brindley.

#### **DCBL Stadium**

Meetings and conferences have returned but as budgets are tight for everyone we have noticed catering requests are on the decline.

Events have been planned in up until the end of March 2023, these will be carefully monitored.

A review of staffing will commence in quarter 3 to reflect the new business needs.

### **3.8 Enterprise Community & Resources**

#### **Property Services (Operations)**

##### Accommodation review/Agile working/return to the office

COVID-19 necessitated the need for home working which proved very successful. As all COVID measures have been removed and life returns to normal this shift in working arrangements has presented us with the opportunity to embrace more flexible working arrangements on a more permanent basis in the future. In parallel with this a review of our office accommodation is currently being undertaken, the aim of which is to present options for how this can be more effectively used in the future to help generate revenue savings.

##### Rising Construction Costs

Construction costs have been rising significantly in the recent past which is having an impact across all projects. Whilst all sectors in industry have been affected by inflation, the construction industry appears to have been hit particularly hard with certain sectors, such as steelwork production, seeing increases in costs of up to 100%. The future outlook at present is that tender prices are unlikely to fall in the short to medium term.

##### Carbon emission targets

Halton's Climate Change Action Plan has set a target for the Council's own carbon emissions to reach net zero by 2040 in line with the Liverpool City region. The first phase of feasibility studies in respect of decarbonising our buildings has been undertaken, and additional funding opportunities are being explored, the intention being to apply for additional funding when the next round of the Decarbonisation fund goes live.

## 4.0 High Priority Equality Actions

- 4.1 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.
- 4.2 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>



## 5.0 Performance Overview

- 5.1 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.
- 5.2 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.
- 5.3 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	Objective
FS 01	Set the Revenue Budget, Capital Programme and Recommend Council Tax.

Milestone	Progress Q2	Supporting Commentary
Report 2022-25 Medium Term Financial Strategy to Executive Board - <b>November 2021.</b>		On target to report the Medium Term Financial Strategy to Executive Board in November 2022. The financial forecast is being regularly updated.
Report 2022/23 revenue budget, capital programme and council tax to Council - <b>March 2022.</b>		Work has commenced with Management Team and Budget Working Group to develop budget proposals for 2023/24 onwards.

Ref	Objective
FS 02	To effect financial prudence by assisting managers to control their budgets by monitoring spending and providing timely and accurate financial reports.

Milestone	Progress Q2	Supporting Commentary
Provide <b>monthly</b> financial reports to budget holders <b>within 8 days of month end</b> .		Reports all issued on schedule to date.
Provide <b>quarterly</b> financial monitoring reports to Operational Directors for inclusion in Performance Monitoring Reports.		Quarter 2 reports have been finalised and will be shared with Operational Directors for inclusion in Performance Monitoring Reports.
Provide <b>quarterly</b> monitoring and forecasting reports on the overall budget to Executive Board.		Quarter 2 monitoring report on the overall budget will go to Executive Board on 17 November 2022.



Ref	Objective
FS 03	Provide for public accountability by reporting the Council's stewardship of public funds and its financial performance in the use of resources by preparing the statutory Statement of Accounts in accordance with the latest accounting standards.

Milestone	Progress Q2	Supporting Commentary
Publish the Statement of Accounts following external audit and the Annual Governance Statement <b>by 30<sup>th</sup> September 2021</b> .		The draft accounts were published and shared with the External Auditor on 13 July 2022, ahead of the deadline of 31 July. The audit is taking longer than anticipated although it is in the process of being finalised and it is planned for findings to be reported to Audit and Governance Board by the end of November 2022.





Ref	Objective
FS 04	<b>Make best use of cash resources available to the Council and meet its statutory responsibility by setting, implementing and monitoring the Treasury Management Policy.</b>





Milestone	Progress Q2	Supporting Commentary
Establish Treasury Management Policy and report to Council - <b>March 2021.</b>		Treasury Management Policy reported to Council on 02 March 2022
Provide monitoring reports to Executive Board <b>on a bi-annual basis.</b>		On track to report to Executive Board in November 2022.

Ref	Objective
FS 05	<b>Ensure that the Capital Programme is affordable, prudent, and sustainable by setting and monitoring prudential borrowing indicators.</b>

Milestone	Progress Q2	Supporting Commentary
Establish and report prudential indicators to Council - <b>March 2021.</b>		Prudential indicators reported to Council on 02 March 2022
Provide monitoring reports to the Executive Board <b>on a bi-annual basis.</b>		On track to report to Executive Board in November 2022

### Key Performance Indicators







Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 2 Position	Current Progress	Direction of Travel	Supporting Commentary
FS LI 01	Receive an unqualified external audit opinion on the accounts	Yes	Awaited	N/A		N/A	External audit not expected to provide audit opinion before the end of November at the earliest.
FS LI 02	Receive an unqualified VFM opinion from the Council's External Auditor	Yes	Awaited	N/A		N/A	The Council's External Auditor is expected to provide the VFM opinion by 30 November 2022.
FS LI 03	Proportion of Council Tax that was due that was collected	94.14 %	94.25 %	54.45 %			This is down by 0.13% compared with the same point last year. Adversely impacted

							by resource being allocated to the energy rebate scheme at the expense of undertaking on-going recovery action.
FS LI 04	The percentage of Business Rates which should have been received during the year that were received	96.18 %	97.50 %	61.54 %	U		Business rates collection for the second quarter of the year is 61.54%, up by 6.78% on this point last year. The in-year collection rate has been helped by credits placed against accounts following awarding of 2021/22 rate reliefs funded by the Government Covid Additional Relief Fund
FS LI 05	Average time for processing new claims (Housing Benefit & Council Tax Reduction)	16.22	18	25.50	U		The Benefits Team is experiencing long term staff sickness absence and maternity leave during the current financial year, and this is having a significant impact on processing performance.
FS LI 06	Average time for processing notifications of changes in circumstances	4.82	8	14.10	U		The Benefits Team is experiencing long term staff sickness absence and maternity leave during the current financial year, and this is having a significant impact on processing performance.
FSLI 07	Proportion of all supplier invoices paid within 30 days (including disputed invoices)	92.6%	93.0%	90.6%	U		Invoice payment performance can vary over time due to a range of factors. Performance at the end of quarter two has however dipped slightly when compared to performance in 2021/22.





**Key Objectives / milestones**




Ref	Objective
PPPE 01	To enhance the efficiency and effectiveness of corporate training opportunities through the design and implementation of appropriate learning interventions, to include the development of bespoke Learning & Development offerings to individual service areas.

Milestone	Progress Q2	Supporting Commentary
Promote and take forward the delivery of actions identified within the Organisational Development Strategy <b>June 2022</b>		This is on target with all themes being given attention. The lag in some activity due to restrictions in 2020 and 2021 means that the strategy will likely be augmented and rolled forward at the end of 2022/23 to become the 2023 – 26 strategy.
Review and refresh annual training calendar <b>September 2022.</b>		Complete
Regular engagement with service managers to identify areas of challenge and develop appropriate bespoke solutions <b>April, September, December 2022, and March 2023.</b>		Ongoing and on target. Refer to Key Developments for further information.
Embed knowledge and skills gained from Senior Leadership and Management Development Programmes (MBA / MSc) <b>December 2022.</b>		On target. Engagement with acquired learning will contribute to the Council's Transformation Programme.
Complete delivery of in-house modular Leadership and Management development activity <b>March 2023.</b>		On target.
Monitor the embedding of knowledge and skills gained in-house modular Leadership and Management development activity. <b>Ongoing and report in March 2023.</b>		On target.




Ref	Objective
PPPE 02	<b>Implement the Apprenticeship Policy to support the establishment of apprenticeships across the Council, and optimise return on the Apprenticeship Levy.</b>

Milestone	Progress Q2	Supporting Commentary
Establish 10 new apprentice placements within Council services, compliant with the requirements of apprenticeship legislation <b>March 2023.</b>		On target. 8 apprentice opportunities advertised July 2022 and 6 recruited to. Opportunities to be re-advertised December.
Establish 20 new existing employee apprenticeships to enable up-skilling in a range of business areas, compliant with the requirements of apprenticeship legislation <b>March 2023.</b>		On target




Ref	Objective
PPE 03	<b>Optimise the use of the Agency Worker contract across Council services, to secure ongoing reductions in the incidence and cost of agency usage, and to ensure that correct and appropriate resourcing solutions are being deployed across Council services.</b>

Milestone	Progress Q2	Supporting Commentary
Review and consider most appropriate resourcing mix in collaboration with service management in areas of highest agency usage <b>December 2023.</b>		Work ongoing in this area and will form a work stream in the Council's Transformation programme.
Implement resourcing plans with service management in appropriate areas <b>December 2023.</b>		As above.
Ongoing monitoring of agency usage and spend <b>April, September, December 2022, and March 2023.</b>		In place. Currently high spend. Actions to be taken to step down. Refer to Emerging Issues above for more information.



Ref	Objective
PPE 04	<b>Work with high demand service areas to develop and implement effective recruitment programmes, optimising labour market engagement to attract high quality candidates.</b>
















Milestone	Progress Q2	Supporting Commentary
Identify service areas with highest consistent recruitment demand, turnover, and low attraction rates <b>September 2022</b> .		A more programmed approach will be taken to this given the changing labour market conditions. Refer to Emerging Issues for more detail.
Implement project based recruitment plans with service management in appropriate areas <b>December 2022</b> .		A more programmed approach will be taken to this given the changing labour market conditions. Refer to Emerging Issues for more detail.
Corroborate out-turns of linked KPI's to assess effectiveness of approach to resourcing <b>June, September, December 2022, and March 2023</b> .		Market conditions making resourcing difficult across many areas, thus effectiveness of service may appear sub-optimal.









Ref	Objective
PPE 05	<b>Develop and implement an organisation wide change programme – The Future Work Programme - to evaluate and introduce revised working practices following to meet the requirements of the changing labour market and employee expectation in the post-pandemic environment (to include use of accommodation, HR policy and practice, wellbeing support, application of technology)</b>

Milestone	Progress Q2	Supporting Commentary
Identify programme priorities and develop accommodation review workstream (in conjunction with EEP Dept) <b>June 2022</b> .		Accommodation review workstream in progress.
Mobilise programme workstream groups and commence baselining and evaluation work. <b>October 2022</b> .		On target
Conduct evaluation and feasibility work to inform design of new policy and practice in Council workplaces <b>March 2023</b> .		On target

### Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 2 Position	Current Progress	Direction of Travel	Supporting Commentary
PPPE LI 01	The number of working days / shifts lost due to sickness (Corporate)	12.94 (Days)	9.5 (Days)	5.96			Slightly above target profile as we go into Autumn. Prevalence of endemic COVID-19 remains a factor. Increase over same period last year. Staff absence







							has returned to pre-COVID levels.
PPPE LI 02	Percentage of Employees without sickness	68.19	70.00	77.2			On target but worse than same time last year, however the impact of COVID measures in 2021/22 will have skewed the figures to some degree.
PPPE LI 03	Total Full Time Equivalent Staffing Establishment (Indicator for information only)	3,250	For information only	3,190	For information only	For information only	Reported for information purposes only.
PPPE LI 04	Total Staff (head count) (Indicator for information only)	4,233		4,122			
PPPE LI 05	Total Agency Worker Usage (number of placements – year to date)	919	650	481			
PPPE LI 06	Total Agency Worker Cost (cumulative gross cost – year to date)	£8.3m	£5.0m	£4.122 m			Q2 outturn is driven by high usage in Children's Services. Target will inevitably be missed. Associated narrative included in Emerging Issues section above.
PPPE LI 07	Number of apprenticeship placements established in the Council. (Cumulative – year to date)	2	10	0			8 new placements established – 6 recruited to so far this year.
PPPE LI 08	% of training delegates attending as proportion of places reserved:						Capacity to attend training is commonly cited as a reason why not all employees booked on training actually attend. Concerns to be investigated further. Significant concern around attendance levels at virtual sessions. Under investigation.
	Face to face	100	95	83			
	Virtual	95	95	25			
PPPE L109	The percentage of top 5% of earners that are:						Positive movement on component indicator (a), which follows improvement in last 2 years. Fluctuation exists in (b) and (c), due to turnover.
	a) Women	64.2%	55%	61.9%			
	b) From BME communities	2.67%	2.0%	2.7%			

	c) With disability a	1.25%	8.0%	0%			It should be noted that recruitment in to the top 5% of earners is generally limited, and as such scope for significant change is low.
PPPE LI 10	No of staff declaring that they meet the definition of disability within the Equality Act 2010 as a % of the total workforce.	1.25%	10.00 %	1.28%			Fluctuation exists due to turnover and the indicator outturn reflects self-declaration. The 10% target reflects the wider Halton community. Despite the mismatch, it is important that this indicator continues to be monitored.
PPPE LI 11	Minority Ethnic community staff as % of total workforce.	0.99%	1.00%	1.18%			Shows improvement however fluctuation exists due to turnover and outturn tends to hover around target level.
PPPE LI 12	Average time to recruit (Applicant Tracking System reported figure)	19 Days	15 Days	17 Days			Stable outturn, particularly in context of consistent increased demand.





**ICT and Administrative Support Services**

**Key Objectives / milestones**


Ref	Objective
ICT 01	Constantly evaluate and improve the usability, resilience, control and flexibility of the Council's Data Communications Network, Hardware and Software Infrastructure.

Milestone	Progress Q2	Supporting Commentary
Continued Enhancement of the virtualization platform to enhanced or new technologies - <b>March 2023.</b>		Enhancements to the Halton Cloud platform continues at pace with the integration of Vendor Horizon 8 cloud-based systems and services within our own platform.
Further development of Cloud Services Platform - <b>March 2023.</b>		Enhancement planned in line with vendor software release and licensing restrictions to enhance functionality and the user experience
SharePoint and Records Management enhancements through the E5 licensing model - <b>March 2023.</b>		Enhancement planned in line with vendor software release to enhance functionality and the user experience
Continued development of Interactive Web Services, Enhancement and further SharePoint Integration - <b>March 2023.</b>		Enhancement planned in line with vendor software release to enhance functionality and the user experience
Further development of commercial ICT opportunity within desktop, hosting and DR provision - <b>March 2023.</b>		This will always remain a focus together with the development of existing client opportunity. Mersey Travel, LCR and Sefton together with the Cemeteries system deployed to a 3rd party. Other opportunities for the deployment of Agresso together with other systems are currently under discussion.
Continued compliance with Central Government and NCSC Security guidelines and compliance requirements – <b>March 2023.</b>		Changes and enhancements are managed on a daily basis as the ever-changing security landscape evolves and threats change on a daily basis – compliance with NCSC regulations and corporate and client needs remain a focus as detailed within this report.





Ref	Objective
ICT 02	The implementation of a range of new corporate wide facilities including Web services, records & document management, business process workflow, corporate desktop portal and GDPR process.

Milestone	Progress Q2	Supporting Commentary
Continuing improvements, enhancements and commercial use of Cloud system - <b>March 2023.</b>		All of the authorities' internal and external clients now successfully utilise this solution – delivering HBC services to partners, clients and internal users. With M365 becoming the focus as we deliver the E5 licencing suite within the Microsoft cloud.
Continuing workflow implementation together with a centralised and online postage systems - <b>March 2023.</b>		Continuing to support the technology developments as well as administrative process across the authority. This will evolve and enhance as part of the technology developments ahead.
Improvement and enhancement of all web-based customer interfaces - <b>March 2023.</b>		This continues to be a primary focus with content and facilities evolving monthly, in line with the ICT development programme and business requirement. A review of the design solution has taken place with development tools constantly being assessed. Linked the SharePoint development strategy and links to the M365 suite currently in development.
Continued development of document management and distribution services - <b>March 2023.</b>		The Records Management Unit is central to the development of the multitude of projects associated with data governance, digitisation of paper records and the development of many services such as centralised post and print – with the Hybrid Mail project under development - this focus will remain.





Ref	Objective
ICT 03	The implementation of a range of new corporate wide facilities including cloud and web service solutions, records & document management enhancement, business process workflow, corporate desktop portal.

Milestone	Progress Q2	Supporting Commentary
Continual development of the I Want Admin/Finance/HR Portals - <b>March 2023</b> .		Through enhancements linked to the Records Management Unit and the proposed procedural evaluation of the service developments will evolve in line with business need, together with technical developments underway through our own in-house systems development team.
Develop and enhance operational Records management Unit Services - <b>March 2023</b> .		This is a constantly evolving process, and one that is now attracting and taking advantage of commercial opportunity.
The continued development of corporate administrative and customer service procedural services and support solutions <b>March 2023</b> .		This is a constantly evolving process for the teams supporting our client departments and teams through to the customer service deliverables within the contact centre and the increasing face to face requirements of our residents through the One Stop Shop's within Runcorn and Widnes.

### Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 2 Position	Current Progress	Direction of Travel	Supporting Commentary
ICT LI 01	Average availability of the Council's operational servers (%).	99.98	99.00	99			Remains in line with target and SLA, linked to Halton Cloud Data Centre configuration. A real achievement given the considerable levels of work undertaken over this period mainly out of hours.
ICT LI 02	Average availability of the Councils WAN infrastructure (%).	99.97	99.00	99			Remains in line with target and SLA. Inclusive of planned down time out of hours. Especially during these times of new working arrangements when connectivity to the centre is key.




ICT LI 03	School Support SLA: % of calls responded to within <u>agreed</u> target*:						Again, this has been an unusual time with schools impacted by the pandemic and the support required evolving to support our clients within the boundaries of the SLA. New working practices are now in place to safeguard staff and clients – these service solutions will be retained as our clients prefer the new working models.
	Priority 1	100	85.00	100			
	Priority 2	100	90.00	100			
	Priority 3	100	95.00	100			
	Priority 4	100	95.00	99			
ICT LI 04	Average working days from delivery to completion of a new PC.	5 (Days)	5 (Days)	1			New procedures are in place, with the advent of a full VDi based workforce all desktop's can be replaced the same day – a process is in place for home workers to drop off and collect a new device again a same day service.

### Legal & Democracy



#### Key Objectives / milestones

Ref	Objective
LD 01	To ensure that decision makers are supported through the provision of timely and accurate advice and information and are kept informed of changing legislation and responsibilities.











Milestone	Progress Q2	Supporting Commentary
Review constitution - <b>May 2021.</b>		The revised constitution was approved at Annual Council

Ref	Objective
LD 02	To provide efficient and effective Democratic Support Services that provides Elected Members, as key decision makers, with the necessary information, support and training opportunities to fulfil their individual potential and management and governance role effectively.

Milestone	Progress Q2	Supporting Commentary
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To ensure that all members have been given the opportunity of a having a MAP meeting where desired.		All Members have been offered a MAP induction
To induct all new members <b>by October 2021</b> .		All new Members have been inducted

### Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 2 Position	Current Progress	Direction of Travel	Supporting Commentary
LD LI 01	No. Of Members with Personal Development Plans (56 Total).	54 (100%)	54 (100 %)	54 (100 %)			All Members are offered a MAP. All newly elected Members completed an initial MAP in May 2022.
LD LI 02	Percentage of Members attending at least one organised Training Event.	51 (94%)	54 (100 %)	21 (39%)			All Members are offered a hybrid development programme via in-house officer training and e-Learning via the L&D Portal. It is, of course, a matter of personal choice for Members
LD LI 03	Average Time taken to issue prosecutions from receipt of full instructions (working days).	10 (Days)	10 (Days )	10 (Days )			The target has been met.
LD LI 04	Average time taken to file application for Care proceedings at Court from receipt of all written evidence from client department (working days).	3 (Days)	3 (Days )	3 (Days )			The target has been met.
LD LI 05	% of Executive Board minutes published within 5 working days after the meeting.	100%	100%	100%			The target has been met.









## Community & Environment

### Key Objectives / milestones

Ref	Objective
CE 01	Increase the number of Pupils having a school lunch, to raise awareness and increase levels of healthy eating.

Milestone	Progress Q2	Supporting Commentary
Deliver a promotion and educational campaign - <b>September 2020</b> and <b>January 2021</b> .	NA	Not applicable due to Covid-19






### Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 2 Position	Current Progress	Direction of Travel	Supporting Commentary
CE LI 01	% Take up of free school meals to those who are eligible - Primary Schools.	71.42 %	75%	76.11 %			On target.
CE LI 02	% Take up of free school meals to those who are eligible - Secondary Schools.	56.29 %	65%	62.02 %			On target as this includes school leavers in year 11. This should realign
CE LI 03	Take up of school lunches (%) – primary schools.	57.81 %	60%	60.90 %			On target
CE LI 04	Take up of school lunches (%) – secondary schools.	50.10 %	55%	55.95 %			On target





## Property Services



### Key Objectives / milestones

Ref	Objective
EEP 03	Corporate

Milestone	Progress Q2	Supporting Commentary
Commence Construction of new Leisure Centre on site by <b>31<sup>st</sup> October 2022</b>		Subject to Exec Board approval a full start on site will be late November however works have already commenced with site diversion works
Commence Construction of Extension to St Patrick's Nursing Home by <b>31<sup>st</sup> Dec 2022</b>		Anticipated start on site date put back to April 2023, design development works continuing and consultation process to be undertaken
Deliver agreed programmed maintenance programme to Corporate Buildings by <b>31<sup>st</sup> March 2023.</b>		Budget on track to be spent by year end
Deliver agreed programmed maintenance programme to schools by <b>31<sup>st</sup> March 2023.</b>		9 out of 13 projects already delivered others to be completed prior to year end
Complete refurbishment of 71 High Street, Runcorn by <b>30<sup>th</sup> September 2022</b>		Works complete.

### Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 2 Position	Current Progress	Direction of Travel	Supporting Commentary
EEP LI 03	Commercial and investment portfolio – rent receivable against the budget to monitor receipt of income of rents and service charges.	Invest £44,300 Com £574,916	Invest £53,467 Com £663,613	Invest £31,317 Com £262,552			Other vacant units, former Frankie and Bennies unit at the Hive. A shortfall of income is predicted over the year of £116,000 to exclude the income from the lease of no 29 – 31 Moor Lane, Widnes (Enterprise) which ended 14 June 2022.
EEP LI 04	Occupancy rates of commercial and investment portfolio.	100 % Invest 89% com	100 % Invest 90% com	100 % Invest 93% com			There are 7 vacant properties which will be on the market or where negotiations have not been

							concluded. Negotiations are underway with a potential tenant for no 71 High Street and the former bus depot Moor Lane Widnes.
EEP LI 05	Occupancy of Widnes Market Hall.	95%	96%	89%			Difficult trading conditions and the impact on the Market following the introduction of parking charges are having an effect 4 traders having left since April 1 <sup>st</sup> 2022.

## 7.0 Financial Statements

### FINANCE DEPARTMENT

#### Revenue Budget as at 30 September 2022

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employees	5,955	2,928	2,781	147	353
Proposed Pay Award 2022/23	328	0	0	0	0
Insurances	894	668	642	26	0
Supplies & Services	415	288	278	10	7
Rent Allowances	35,500	15,661	15,661	0	0
Non HRA Rent Rebates	70	35	28	7	0
Discretionary Social Fund	106	60	60	0	0
Discretionary Social Fund Household Support	579	579	594	(15)	0
Discretionary Housing Payments	300	150	127	23	0
Covid Isolation Scheme	0	0	-9	9	0
Concessionary Travel	1,898	574	509	65	130
LCR Levy	2,241	2,241	2,241	0	0
Transfer to Reserves	17	0	0	0	17
Bad Debt Provision	77	0	0	0	(78)
<b>Total Expenditure</b>	<b>48,380</b>	<b>23,184</b>	<b>22,912</b>	<b>272</b>	<b>429</b>
<b>Income</b>					
Rent Allowances	-34,900	-13,473	-13,336	(137)	(406)
Non HRA Rent Rebate	-70	-35	-87	52	0
Housing Benefit Recovery	-400	-100	-71	(29)	0
Burdens Grant	-60	-60	-87	27	27
Dedicated schools Grant	-111	0	0	0	0
Discretionary Housing Payment Grant	-300	-125	-91	(34)	0
Housing Benefits Admin Grant	-515	-257	-257	0	0
Universal Credits	-5	-5	-5	0	0
Council Tax Admin Grant	-204	-204	-211	7	7
Household Support Fund Grant	-579	-144	-144	0	0
Covid Isolation Grant Income	0	0	36	(36)	0
Council Tax Liability Order	-502	-251	-265	14	0
Business Rates Admin Grant	-155	0	0	0	0
VEP Grant	-9	-9	-9	0	0
Council Tax Rebate Scheme Admin Gra	0	0	-79	79	79
Schools SLAs	-278	-278	-280	2	5
LCR Reimbursement	-2,241	-2,241	-2,241	0	0
Other Fees & Charges	-264	-130	-164	34	31
Reimbursements & Other Grants	-111	-56	-58	2	71
CCG McMillan Reimbursement	-82	0	0	0	0
Transfer from Reserves	-461	-119	-119	0	(43)
<b>Total Income</b>	<b>-41,247</b>	<b>-17,487</b>	<b>-17,468</b>	<b>(19)</b>	<b>(229)</b>
<b>Net Operational Expenditure</b>	<b>7,133</b>	<b>5,697</b>	<b>5,444</b>	<b>253</b>	<b>200</b>
<b>Recharges</b>					
Premises Support	227	113	113	0	0
Central Support	2,518	1,259	1,259	0	0
Recharge Income	-5,753	-2,877	-2,877	0	0
<b>Net Total Recharges</b>	<b>-3,008</b>	<b>-1,505</b>	<b>-1,505</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>4,125</b>	<b>4,192</b>	<b>3,939</b>	<b>253</b>	<b>200</b>

Comments on the above figures

The net Department spend is £0.253m under budget at the end of Quarter 2. It is forecast the department outturn net spend will be £0.128m above the approved budget at year-end.

Employee costs are forecast to be under budget at year-end by £0.353m this is due to vacancies within Financial Management and Audit, Procurement & Operational Finance divisions. Delays on recruitment has been reflected in projections but these could change dependant on when posts are filled.

The 2022/23 pay award has yet to be agreed but the additional cost to the department over and above the approved budget is forecast at £0.328m. The cost of which will be funded from Council reserves. This figure being based on 153 full time equivalent staff.

Insurance costs are currently projected to match the 2022/23 budget, although this is dependent on the claims received and the excesses paid out during the year, and could change by year-end.

Concessionary travel costs are projected to underspend against the approved budget by £0.130m. Passenger numbers are still significantly below the levels seen prior to the Covid-19 pandemic, although operators are currently being supported at the same rates. Strike action by one of the local bus operators has led to a reduction in payments and increased forecast outturn variance from Q1.

Bad Debt provision relates to an estimate of possible non-return of Housing Benefits overpayments in this financial year.

Rent Allowance income is showing a significant shortfall of £0.406m against the budgeted income target due to an increase in the costs of supported accommodation. Sixty percent of these costs are funded from housing benefits, with the balance falling to the Council.

£27k of additional grant funding in relation to DWP legislative changes and the Housing Benefit Accuracy Initiative has been received. Additional funding has also been received in year for the administrative costs relating to the Council Tax Rebate Scheme, whereby households in Council Tax bands A-D received £150 to assist with energy bills.

Reimbursements & Other Grant income is projected to overachieve by £0.071m due to procurement card income and Early Payment Scheme discounts received.

All savings applied to the 2022/23 budget will be achieved.

## Revenue Budget as at September 30 2022

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employees	2,162	1,048	987	61	175
Proposed Pay Award 2022/23	53	0	0	0	0
Employees Training	123	66	68	(2)	(4)
Apprenticeship Levy	300	151	155	(4)	(9)
Supplies & Services	144	86	93	(7)	(14)
Agency Related Expenditure	11	0	3	(3)	0
<b>Total Expenditure</b>	<b>2,793</b>	<b>1,351</b>	<b>1,306</b>	<b>45</b>	<b>148</b>
<b>Income</b>					
Fees & Charges	-132	-100	-102	1	(2)
Schools SLA	-448	-448	-452	4	4
Transfer from Reserves	-70	-17	-17	0	0
<b>Total Income</b>	<b>-650</b>	<b>-565</b>	<b>-570</b>	<b>5</b>	<b>2</b>
<b>Net Operational Expenditure</b>	<b>2,143</b>	<b>786</b>	<b>736</b>	<b>50</b>	<b>150</b>
<b>Recharges</b>					
Premises Support	72	36	36	0	0
Central Support	1,037	518	518	0	0
Recharge Income	-3,252	-1,626	-1,626	0	0
<b>Net Total Recharges</b>	<b>-2,143</b>	<b>-1,072</b>	<b>-1,072</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>0</b>	<b>-286</b>	<b>-335</b>	<b>50</b>	<b>150</b>

### Comments on the above figures

At the close of the second quarter, Policy, Performance, People and Efficiency net spend is below the budget profile to date by £0.050m, the forecast position through to the end of the year is for net spend to be £0.150m below the approved budget.

Employee's expenditure is below budget. The majority of this is in relation to the budget for apprentices. There have only been a few apprentices in post but there are expected to be further apprentice's taking up posts across different service areas soon.

The 2022/23 pay award has yet to be agreed but the additional cost to the department over and above the approved budget is forecast at £0.053m. The cost of which will be funded from Council reserves. This figure being based on 47 full time equivalent staff.

All budget savings applied to 22-23 budget will be achieved

## ICT & ADMINISTRATION

### Revenue Budget as at 30 September 2022



	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employee	7,288	3,645	3,615	30	(82)
Proposed Pay Award 2022/23	485	0	0	0	0
Supplies & Services Expenditure	1,012	506	498	8	(14)
Capital Finance	78	5	1	4	33
Computer Repairs & Software	1,257	1,150	1,151	(1)	30
Communication Costs	13	13	9	4	0
Premises Expenditure	99	85	77	8	(27)
Transport Expenditure	3	2	1	1	1
Transfer from Reserves	15	0	0	0	15
<b>Total Expenditure</b>	<b>10,250</b>	<b>5,406</b>	<b>5,352</b>	<b>54</b>	<b>(44)</b>
<b>Income</b>					
Fees & Charges	-624	-260	-252	(8)	178
Schools SLA Income	-565	-480	-475	(5)	(83)
Contribution from Reserves	-485	0	0	0	0
Reimbursements & Other Grant Income	0	0	-6	6	7
<b>Total Income</b>	<b>-1,674</b>	<b>-740</b>	<b>-733</b>	<b>(7)</b>	<b>102</b>
<b>Net Operational Expenditure</b>	<b>8,576</b>	<b>4,666</b>	<b>4,619</b>	<b>47</b>	<b>58</b>
<b>Recharges</b>					
Premises Support	389	195	195	0	0
Transport Support	19	12	12	0	0
Central Support	1,592	796	796	0	0
Asset Rental Support	1,494	0	0	0	0
Recharge Income	-13,112	-6,556	-6,556	0	0
<b>Net Total Recharges</b>	<b>-9,618</b>	<b>-5,553</b>	<b>-5,553</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>-1,042</b>	<b>-887</b>	<b>-934</b>	<b>47</b>	<b>58</b>

### Comments on the above figures

In overall terms net spend is below the budget profile by £0.047m at the end of the second and forecast to be below the approved budget by £0.058m at the end of the financial year.

Employee's costs are £0.030m under the approved budget at the end of Q2. The Admin department is projecting spend to be lower than budget which is reduced departmentally by an overspend against budget in staffing within the IT Division. The majority of the overspend within the IT Division is due to not achieving staff turnover saving targets. It should be noted the projections in Admin are based on maintaining current staffing levels which include a level of vacancies. If this level of staffing continues then the additional £0.529m staff turnover savings target and efficiency budget targets that are part of the Admin budget can be met. However, if staffing levels increase this will have an impact on outturn. Admin staffing usually has high staff turnover so it is at times a volatile budget to project.

The 2022/23 pay award has yet to be agreed but the additional cost to the department over and above the approved budget is forecast at £0.485m. The cost of which will be funded from Council reserves. This figure being based on 240 full time equivalent staff.

Supplies and services projected costs within the Admin division are based on historical spend pre pandemic as this is best indication of projected spend now that services has resumed and staff returning to offices. These can be projected more accurately as the year progresses and managers can confirm spend.

Computer repairs and software and communication costs are based on managers projections and is predicted to be underspent against budget at year end.

Premises costs are predicted to overspend against budget at year end due to the well-publicised increases in gas and electricity prices.

SLA income from the SLA matrix is showing as marginally unachieved compared to budget for Q2 and this trend is expected to continue through to financial year-end.

Fees and charges income budget relates to external client income for traded services. This is for Agresso implementation and continued support and the income is marginally unachieved against budget for Q2 but is expected to overachieve at financial year-end.

### **Capital Projects as at 30 September 2022**

<b>Capital Expenditure</b>	<b>2022/23 Capital Allocation £'000</b>	<b>Allocation to Date £'000</b>	<b>Actual Spend £'000</b>	<b>Total Allocation Remaining £'000</b>
ICT Rolling Capital Programme	700	123	123	577
<b>Total Capital Expenditure</b>	<b>700</b>	<b>123</b>	<b>123</b>	<b>577</b>

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

It is expected that the full capital allocation will be spent at Outturn.

## Revenue Budget as at 30<sup>th</sup> September 2022

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employees	1,913	956	898	58	48
Proposed Pay Award 2022/23	29	0	0	0	0
Supplies & Services	322	149	159	(10)	(20)
Civic Catering & Functions	39	11	2	9	17
Legal Expenses	218	73	121	(48)	(96)
Legal Expenses Locums	360	183	183	0	0
Transport Related Expenditure	10	7	4	3	6
<b>Total Expenditure</b>	<b>2,891</b>	<b>1,379</b>	<b>1,367</b>	<b>12</b>	<b>(45)</b>
<b>Income</b>					
Land Charges	-84	-41	-37	(4)	(6)
School SLA's	-85	-84	-82	(2)	(2)
Licence Income	-263	-114	-129	15	30
Fees & Charges Income	-65	-32	-34	2	2
Transfer from Reserves	-406	-200	-200	0	0
<b>Total Income</b>	<b>-903</b>	<b>-471</b>	<b>-482</b>	<b>11</b>	<b>24</b>
<b>Net Operational Expenditure</b>	<b>1,988</b>	<b>908</b>	<b>885</b>	<b>23</b>	<b>(21)</b>
<b>Recharges</b>					
Premises Support	58	29	29	0	0
Central Support	351	175	175	0	0
Recharge Income	-1,895	-947	-947	0	0
<b>Net Total Recharges</b>	<b>-1,486</b>	<b>-743</b>	<b>-743</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>502</b>	<b>165</b>	<b>142</b>	<b>23</b>	<b>(21)</b>

### Comments on the above figures

In overall terms net spending is marginally under the budget profile by £0.023m at the end of Q2 and expected to be £0.021m above the approved budget at the end of the financial year.

Employee expenditure is forecast to be £0.048m under the approved budget at financial year-end due to a number of vacancies within the departmental structure. Some of these vacancies are being covered by legal locums, forecast cost of which are £0.360m through to year-end and are to be funded from Council reserves.

The 2022/23 pay award has yet to be agreed but the additional cost to the department over and above the approved budget is forecast at £0.029m. The cost of which will be funded from Council reserves. This figure being based on 39 full time equivalent staff.

Civic catering and functions projections are based on historic expenditure, before Covid restrictions These could therefore change dependant on number of events through to the end of the financial year.

Legal expenses are projected to largely overspend. These projections are only an estimation, these costs are dependent on complexity and number of cases so difficult to forecast accurately. It has been advised that

increased case numbers and case complexity will mean increased barrister costs and the need to use outside legal services. It seems prudent therefore to project spend will be significantly higher than the approved budget through to the end of the last financial year.

Land and license Income is dependent on demand for property searches and license applications, so variable and difficult to project.

All budget savings applied to 22-23 budget will be achieved.

**COMMUNITY & ENVIRONMENT DEPARTMENT**

**Revenue Budget as at 30 September 2022**

	<b>Annual Budget</b>	<b>Budget to Date</b>	<b>Actual</b>	<b>Variance (Overspend)</b>	<b>Forecast Outturn</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>					
Employees	15,412	7,300	6,966	334	303
Proposed Pay Award 2022/23	640	0	0	0	0
Premises	2,543	1,272	1,317	(45)	(90)
Supplies & Services	1,398	750	800	(50)	(100)
Hired & Contracted Services	890	44	156	(112)	(225)
Book Fund	140	108	93	15	30
Food Provisions	404	817	801	16	32
School Meals Food	1,872	925	721	204	409
Miscellaneous Transport Costs	115	47	49	(2)	(3)
Other Agency Costs	156	92	69	23	(51)
Other Expenditure	0	2	5	(3)	(5)
Waste Disposal Contracts	6,538	3,269	3,268	1	2
Grants to Voluntary Organisations	67	16	41	(25)	48
Grant to Norton Priory	172	172	174	(2)	(1)
Rolling Projects	0	10	20	(10)	(20)
Capital Financing	0	4	4	0	0
<b>Total Expenditure</b>	<b>30,347</b>	<b>14,828</b>	<b>14,484</b>	<b>344</b>	<b>329</b>
<b>Income</b>					
Sales Income	-1,309	-678	-608	(70)	(141)
School Meals Income	-4,958	-2,275	-2,086	(189)	(378)
Fees & Charges Income	-5,546	-3,318	-3,298	(20)	(41)
Rental Income	-205	-75	-75	0	0
Government Grant Income	-359	-500	-664	164	329
Reimbursements & Other Grant Income	-597	-214	-149	(65)	(130)
Catering Fees	-88	-44	-45	1	2
Internal Fees Income	-247	-30	-38	8	16
Capital Salaries	-173	-46	-46	0	0
Transfers From Reserves	-742	-26	-24	(2)	0
<b>Total Income</b>	<b>-14,224</b>	<b>-7,206</b>	<b>-7,033</b>	<b>(173)</b>	<b>(343)</b>
<b>Net Operational Expenditure</b>	<b>16,123</b>	<b>7,622</b>	<b>7,451</b>	<b>171</b>	<b>(14)</b>
<b>Recharges</b>					
Premises Support	1,496	748	748	0	0
Transport	2,324	1,144	1,196	(52)	(104)
Central Support	4,449	2,225	2,225	0	0
Asset Rental Support	146	0	0	0	0
HBC Support Costs Income	-511	-255	-255	0	0
<b>Net Total Recharges</b>	<b>7,904</b>	<b>3,862</b>	<b>3,914</b>	<b>(52)</b>	<b>(104)</b>
<b>Net Departmental Expenditure</b>	<b>24,027</b>	<b>11,484</b>	<b>11,365</b>	<b>119</b>	<b>(118)</b>

### Comments on the above figures

The net department spend is £0.119m under budget at the end of Quarter 2 with the estimated net spend for the year being forecast at £0.118m over the approved budget.

Net employee spend is below the budget to date by £0.303m, due to the number of vacancies within the department resulting from delays and difficulty in recruitment.

The 2022/23 pay award has yet to be agreed but the additional cost to the department over and above the approved budget is forecast at £0.640m. The cost of which will be funded from Council reserves. This figure being based on 425 full time equivalent staff.

Premises costs are £0.045m over budget at the end of Quarter 2. Savings were identified at Q1 due to NNDR bills remaining the same as in previous years, however, the forecast outturn position is currently projected to be £0.090m over budget due to significant increases in both electricity and gas costs. This has impacted all of the sites managed by the Department, especially at Leisure Centres. Runcorn swimming pool has closed but premises costs will continue while the building remains under Council control.

Additional premises costs are expected for Brookvale Leisure Centre and Halton Lea Library. A £0.020m feasibility study (Brookvale) and £0.030m building works (remove Café and re-instate as library) have not been budgeted for.

Spend on Supplies and Services is currently £0.050m over budget and spend on Hired Services is £0.112m over budget. This includes £0.050m domestic violence contribution to Sanctuary Scheme, £0.025m cemetery and crematory re-saleable spend which is offset by income from Sanctum Vaults purchases, £0.020m for the decommissioning of a temporary cremator, and £0.043m equipment including £0.008m/month for container hire. Some of this spend will be offset by Government Grant income where possible.

Invoices for 2021/22 waste disposal contracts are still to be received, expected during the next quarter. Whilst costs were estimated at financial year-end, any variance in the actual cost when invoices are received will impact on this year's financial position.

No invoices have yet been received for the waste disposal contracts in 2021/22. Estimated expenditure is therefore calculated based on the average cost per tonne in 2020/21 plus estimated additional tonnage in the current year. Any changes to these costs could have a large impact on the Department's outturn position.

The cancellation of certain events, such as the Vintage Rally means that the associated income targets will not be achieved, while some costs for these events have already been incurred.

Transport recharges are expected to be higher than budgeted due to fuel and other cost increases resulting in a forecast net overspend against budget at year-end of £0.104m.

## Capital Projects as at 30 September 2022

Project Title	2022/23 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
Stadium Minor Works	37	10	9	28
Halton Leisure Centre (Moor Lane)	6,296	950	938	5,358
Brookvale Pitch Refurbishment	70	40	38	32
Stadium decarbonisation scheme	0	0	117	(117)
Open Spaces Schemes	450	130	128	322
Children's Playground Equipment	80	5	2	78
Upton Improvements	13	0	0	13
Crow Wood Park Play Area	39	10	10	29
Landfill Tax Credit Schemes	340	0	0	340
Runcorn Town Park	256	110	110	146
Widnes Crem - Replacement Cremator	200	200	234	(34)
Spike Island / Wigg Island	60	0	0	60
Litter Bins	20	0	0	20
<b>Totals</b>	<b>7,861</b>	<b>1,455</b>	<b>1,586</b>	<b>6,275</b>

### Comments on the above figures

#### **Moor Lane Leisure Centre**

The estimated cost of the new leisure centre has increased significantly due to the current levels of inflation, scarcity of materials etc. A report has been issued to the Executive Board detailing the increased costs and a decision is imminent. It is likely that the decision will be to continue with the project as there are wider implications for the regeneration of the whole Kingsway area. The draft report indicates the increased annual revenue cost of borrowing from £1m to £2m given the construction cost and interest rate rises.

#### **Brookvale Pitch Refurbishment**

The scheme is now complete. There is a retention payment that may be held until Quarter 4 (% of Football Foundation funding grant is held until all conditions met/discharged) but the remaining spend will be in the current financial year.

#### **Stadium Decarbonisation Scheme**

Grant-funded project to reduce the DCBL Stadium's carbon footprint. This involved replacing the gas boilers with air source heat pumps and installing LED lighting and additional installation. The scheme is currently over budget by £0.117m, the cost of which will have to be funded through capital receipt reserves or increased borrowing.

#### **Open Spaces**

This covers spending on a variety of externally funded projects, including Arley Drive/Halton Housing Trust and Fairfield History projects.

#### **Children's Playground Equipment**

This is an ongoing project which includes spend on improvements within the Borough's playgrounds.

#### **Crow Wood Park**

Project to include replacement park building and upgrade to paths. The main contract for new park building has ended but a small amount of work to the building is required and will be done separately along with a small landscape contract to complete paths. This is still delayed due to team workload. Possibly will run to end of 2022/23.

**Landfill Tax Credits Schemes**

Currently used to support improvements for a rolling programme of existing playgrounds/open space schemes across the Borough. There are no projects currently identified and minimal spend if any against this code is anticipated in 2022/23.

**Runcorn Town Park**

Project to renew park infrastructure. Works from INEOS funding 2021/22 has not yet completely spent. The works are behind schedule due workload/capacity issues within D&D Team due to RSQ project taking priority. For 2022/23 there will be another major INEOS funding bid to continue the infrastructure replacement works, Bid has not yet been submitted but it is anticipated that next phase will carry over to 2023/24 assuming bid is successful.

**Widnes Crematorium replacement Cremator**

Installation works on site are progressing to programme. The new unit commissioned and fully operational with staff trained to us new systems. The final cost is £0.234m (increase due to a change of supplier plus some small additional works to the building in order to accommodate the new unit).

**Wigg/Spike Island Recovery Works**

Projects are at the commencement stage. The extent of works and exact split for works contracts is being assessed.



## ECONOMY ENTERPRISE & PROPERTY DEPARTMENT

### Revenue Operational Budget as at 30 September 2022

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employee Related Expenditure	5,159	2,529	2,609	(80)	60
Proposed Pay Award 2022/23	220	0	0	0	0
Repairs & Maintenance	2,306	1,216	1,216	0	0
Premises	92	90	90	0	0
Energy & Water Costs	919	284	387	(103)	(207)
NNDR	533	533	535	(2)	(2)
Rents	179	102	99	3	5
Economic Regeneration Activities	37	0	0	0	0
Security	485	211	211	0	0
Supplies & Services	494	398	398	0	6
Supplies & Services - Grant	1,192	415	415	0	0
Grants to Voluntary Organisations	113	72	72	0	0
Capital Finance	30	30	30	0	0
Transfer to Reserves	254	127	127	0	0
<b>Total Expenditure</b>	<b>12,013</b>	<b>6,007</b>	<b>6,189</b>	<b>(182)</b>	<b>(138)</b>
<b>Income</b>					
Fees & Charges Income	-864	-144	-144	0	0
Rent - Commercial Properties	-842	-297	-235	(62)	(124)
Rent - Investment Properties	-53	-31	-31	0	0
Rent - Markets	-797	-391	-382	(9)	(18)
Government Grant	-690	-412	-412	0	0
Reimbursements & Other Grant Income	-1,451	-351	-351	0	0
Schools SLA Income	-410	-381	-345	(36)	(36)
Recharges to Capital	-237	-36	-36	0	0
Transfer from Reserves	-1,717	-1,174	-1,277	103	207
<b>Total Income</b>	<b>-7,061</b>	<b>-3,217</b>	<b>-3,213</b>	<b>(4)</b>	<b>29</b>
<b>Net Operational Expenditure</b>	<b>4,952</b>	<b>2,790</b>	<b>2,976</b>	<b>(186)</b>	<b>(109)</b>
<b>Recharges</b>					
Premises Support	1,474	737	737	0	0
Transport Support	27	13	13	0	0
Central Support	2,082	1,041	1,041	0	0
Asset Rental Support	4	0	0	0	0
Recharge Income	-6,258	-3,129	-3,129	0	0
<b>Net Total Recharges</b>	<b>-2,671</b>	<b>-1,338</b>	<b>-1,338</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>2,281</b>	<b>1,452</b>	<b>1,638</b>	<b>(186)</b>	<b>(109)</b>

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

To date the Department is reporting net spend to be over the approved budget by £0.186m. The longer term forecast through to the end of the year estimates net spend will be above the budget by £0.109m.

By carefully monitoring the accounts, the department is utilising grant/external funding where possible to try and relieve the pressure on the core Council budget. This is reflected in employee expenses this quarter where various projects have been identified and staff time has been charged accordingly. All vacancies in the department have been put on hold to help achieve the staff turnover saving target of £0.099m.

The 2022/23 pay award has yet to be agreed but the additional cost to the department over and above the approved budget is forecast at £0.220m. The cost of which will be funded from Council reserves. This figure being based on 184 full time equivalent staff, although some of these will be grant funded.

Due to the ongoing rise in utility bills, expenditure for energy and water costs are projected to be over budget at the end of the financial year. Latest forecasts show an increase of 207% increase in Gas Costs and 64% electricity costs and this is reflected in the forecast. Increase in forecast energy costs will be met through Council reserves.

As the economy looks to recover from the impact of the coronavirus pandemic the financial challenges of commercial property rent present a significant financial challenge. As the working from home environment continues there is less need for office accommodation. The savings put forward to provide additional office space for external agencies at Rutland House will not be achieved this financial year.

In previous year's repairs and maintenance expenditure has been under budget to help the Department achieve an overall balanced position. An assessment has been carried out on forecast spend for the current year and the maintenance programme is showing the budget will be utilised in full.

The School Cleaning Service Level Agreement (SLA) is not covering its costs this financial year due to the need to employ agency staff in order to cover sickness and leave. A review of SLA charges will be undertaken ahead of the next financial year.

The department is projecting to under achieve on market rental income targets this financial year. During the last few months the occupancy rate has dropped to 92%. This may be linked to the introduction of customers having to pay for parking outside the market. There is a slight improvement on quarter 1 projections due to one off events held on a Sunday.

## ECONOMY ENTERPRISE & PROPERTY DEPARTMENT

### Capital Projects as at 30 September 22

	2022-23 Capital Allocation £'000	Allocation to Date £'000	Actual Spend £'000	Total Allocation Remaining £'000
	£'000	£'000	£'000	£'000
<b>Expenditure</b>				
3MG	164	6	6	158
Property Improvements	213	169	169	44
Equality Act Improvement Works	300	34	34	266
Widnes Market Refurbishment	6	6	6	0
Broseley House	21	7	7	14
Woodend - Former Unit 10 Catalyst Trade Park	500	21	21	479
Solar Farm Extension	11	0	0	11
Murdishaw Redevelopment	31	0	0	31
Foundry Lane Residential Area	2,117	932	932	1,185
Astmoor Regeneration	14	10	10	4
Kingsway Learning Centre Improved Facilities	36	0	0	36
St Paul Mews	500	500	515	(15)
Halton Lea TCF	388	353	353	35
Runcorn Town Centre Redevelopment	2,089	959	959	1,130
Runcorn Station Building Development	530	77	77	453
<b>Total</b>	<b>6,920</b>	<b>3,074</b>	<b>3,089</b>	<b>3,831</b>

### Comments on the above figures

**3MG** - Spend will be back-ended in the financial year, the largest of which is HBC field where the completion has been put back to Feb 2023. A more comprehensive forecast will be presented at the end of quarter three.”

**Property Improvements-** All the budget will be spent by year end. There are a number of projects against this code including Reroofing the Fitness suite at the Stadium, lift replacement at Kingsway Learning Centre, and reroofing 73 High Street. There will also likely be some roofing works done at the Municipal Building against this budget.

**Equality Act Budget-** There are a number of access type schemes using the equality act budget this year so the department is anticipating the budget will be fully spent at year end.

**Widnes Market Refurbishment** - All Capital works have now been completed and all retentions paid

**Broseley House** - All works are complete on site, the only outstanding payment is the retention monies of circa £5,000 due in December 2022.

**Woodend Unit 10 Catalyst Trade Park** - No further spend is likely until the last remaining tenant vacates the property then the department will progress with demolition work.

**Solar Farm Extension** - It has now been operational for 2 years. No major issues have been identified. The system is performing in line with expectations in terms of energy produced and income.

**Murdishaw** - Work is ongoing to develop proposals for a community garden in the outdoor space at Murdishaw Community Centre. Funding is allocated to the project as match funding with a potential Awards for All bid to be submitted in the next quarter. Environmental Improvements are ongoing in partnership with Onward and Riverside Housing.

**Foundry Lane** – There has been a delay in finalising the Development Agreement due to summer holiday leave commitments. The land will be transferred to the developer very soon. It is anticipated that the allocation will be spent in full this financial year.

**Kingsway Learning Centre Improvement Works** – Majority of the refurbishment works completed; redecoration works to the meeting rooms to be carried out.

**St Paul Mews** - No further spend is likely until the last remaining tenant vacates the property then the department will progress with the demolition work.




**Halton Town Centre Fund** - This LCR funded programme is now complete

**Runcorn Town Centre Redevelopment** - Options reports for the seven Towns Fund projects are now complete. Business Cases for four of the projects were submitted early August. The remaining business cases will be submitted at the beginning of November.




## 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 is <u>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	N / A
	Indicates that the measure cannot be compared to the same period last year.