

# Corporate Policy and Performance Board– Priority Based Monitoring Report

Reporting Period: 01<sup>st</sup> October to 31<sup>st</sup> December 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 third 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

#### 2.3 Benefits

##### Processing Times

At 31<sup>st</sup> December 2022 processing times for Housing Benefit and Council Tax Reduction were as follows: new claims 25.32 days and changes in circumstances 12.50 days.

##### Household Support Fund

At the end of December 2022 we are half way through the current Household Support Fund (HSF) period 1<sup>st</sup> October 2022 – 31<sup>st</sup> March 2023. By 31<sup>st</sup> December 2022 free school meal vouchers have been issued for the Autumn half term (24<sup>th</sup> – 28<sup>th</sup> October 2022), and for the Christmas holidays (22<sup>nd</sup> December 2022 – 3<sup>rd</sup> January 2023) representing a total value of £258,228.

By the middle of December 2022, 4,181 vulnerable pensioners have been awarded a £100 payment, and this represents a total value of £418,000. In addition, for the period 1<sup>st</sup> October 2022 – 31<sup>st</sup> December 2022 the Discretionary Support Team have paid £77,785 from the Household Support Fund and this has helped 421 households. Also our partners in the voluntary sector including Halton Citizens Advice Bureau, Holiday Activity Food programme, Runcorn and Widnes Food Banks and Halton Voluntary Action have been helping Halton residents from the HSF.

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

### Invoice Payment Performance

As at the end of quarter three, 90.96% of the Council's supplier invoices had been paid within 30 days of receipt.

### Corporate Card Programme

The Council operates a corporate card programme and generates an income stream in the form of a rebate based on the level of spend via corporate cards over a 12 month period. A strategy has therefore been adopted to pay supplier invoices by card where suppliers have the facilities to receive card payments and are happy to do so.

This approach has proved to be successful and the Council's card provider has recently confirmed that the Council is to receive rebate income of £91,164. This is based on card spending of £12,949,469 for the period December 2021 to November 2022 (rebate percentage of 0.0070%).

### Early Payment Scheme

The Council has become the first local authority in the UK to adopt a new fintech platform to provide an option of discounted early payments to suppliers. The Council has contracted to use Saltare's Early Pay solution, which is seen as being an option which complements the Council's other early payment options for suppliers.

The platform works on the basis that once an invoice is approved for payment it will notify the supplier with the offer of early payment in return for a small discount. The supplier can quickly accept the offer it wishes, and the platform will notify the Council. Whilst there is no obligation on either side for any individual payment, this option for early payment can help boost cash flow for smaller firms at times they need it most.

Implementation of the new system is due to take place in the coming months.

### Income management

The Council has completed the upgrade of its systems for receiving web-payments, which will enable the continued acceptance of Mastercard payments, which otherwise would not have been possible from February 2023.

Work is shortly due to commence upgrading the Council's system for receiving telephone payments 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.

### Procurement Bill

The Procurement Bill is continuing its progression through Parliament, with its second reading having taken place in the House of Commons on 9 January 2023. The aim of the Procurement Bill is to repeal the Public Contracts Regulations 2015 together with several other procurement related pieces of legislation which all have their origins under European law and to replace these with a single regime governing the award of contracts by public authorities and utilities.

In terms of progress, the House of Commons Public Bill Committee has issued a call for evidence on the new regime for anyone with relevant expertise and experience or a special interest in the Procurement Bill to make submissions.

The Cabinet Office is also continuing to run 'Transforming Public Procurement' update webinars for interested parties to know more about the progress of the Bill and next steps.

It is anticipated that the new regime is unlikely to go live until the first quarter of 2024 at the earliest. At this stage it is uncertain as to what the impact of the changes will be on the Council's procurement arrangements. However, it is important to note that the new regulations will only apply to above threshold (i.e. higher value) procurement activity.

### Insurance

One of the Council's former insurers, MMI, ceased writing new business in September 1992. Until May 2013, MMI continued to pay claims in full in the anticipation that a solvent run-off of the company would be achieved. As an alternative to liquidation the business of the company was wound up by means of a Scheme of Arrangement with its creditors. The Council is a scheme creditor and is therefore subject to the financial implications of the outcome of the run-off.

In order to meet its ongoing liabilities MMI imposed a 15% levy (set in January 2014) and an additional 10% levy (set in April 2016) on the members of the Scheme of Arrangement. As a result, the Council is self-insured to the extent of 25% of any claim payments relating to the period when MMI was its insurer.

MMI has recently published its accounts for the year ending 30 June 2021. Based on these accounts, insurance brokers are recommending that scheme creditors reserve for an additional 10% levy going forward to reflect the long term uncertainties. Potential future adverse claims trends is a key risk for further deterioration of MMI's financial position. Additionally, new types of latent claims may emerge in the coming years for which no provisions have so far been made. The Council has however already made appropriate financial provision should further increases in the levy be imposed. As such, no further action is required at present.

## **2.5 Revenues and Financial Management**

### 2022/23 Quarter 2 Spending

For the financial year to 30 September 2022, overall Council operational net spending was £28.8m against a budget of £25.4m, resulting in an overspend position to date against budget of £3.4m. The forecast position for the year to 31 March 2023 was an estimated overspend of £7.6m.

Capital spending at 30 September 2022 totalled £11.6m, which is 103% of the planned spending of £11.3m at this stage. This represents 38% of the total Capital Programme of £31.2m (which assumes a 20% slippage between years).

The updated financial forecast and picture of net spending to 31 December 2022 will be reported to Executive Board on 16 February 2023

### Council Tax and Business Rate Collection

Council tax collection for the 3rd quarter of the year is 80.69%, down 0.56% on this point last year. Cash collection for the year to date is £60.3m, this includes £1.6m collected in relation to previous year debts.

Business rates collection for the second quarter of the year is 83.16%, up by 2.68% on this point last year. Cash collected for the year to date is £46.1m. 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.

### Local Government Finance Settlement 2023/24

On 19 December 2021, the Department for Levelling Up, Housing and Communities (DLUHC), published the 2022/23 provisional local government finance settlement.

The settlement provided the Council with some additional funding over and above expectations set-out in the Medium Term Financial Strategy, reported to Executive Board in November 2022.

Core Spending Power for Halton was £48.5m, an increase of £2.6m on 2022/23 figures. Although the amount is still less than received back in 2010/11, in real terms a decrease of £52.6m (28.8%), equivalent to £899.32 per dwelling.

Specific grants allocated to Halton included Social Care Grant of £11.6m (increase of £3.8m), Market Sustainability Grant of £1.5m (increase of £1.1m) and Services Grant of £1.4m (decrease of £1.1m). In addition a ring-fencing grant for Adult Social care titled ASC Discharge Fund was announced, value of £1.0m to Halton.

The settlement confirmed a cap of 3% be applied to council tax increases at which point a local referendum must be held and an ASC precept of 2%.

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

The three services within the HR Service Centre (Resourcing & Recruitment, Payroll & Pensions and Employment Relations) continue to remain under significant pressure with additional demand persisting across all functional areas. Further to reports in the last quarter, the current service configuration is now under consideration as part of the emerging Transformation programme. In conjunction with structural changes in the new Chief Executive's Directorate, the HR Service Centre is set to become a stand-alone division within a new Chief Executive's Delivery Unit in the early part of 2023. This will provide for dedicated management and oversight, enabling a more focused approach to day-to-day management and service development.

Despite significant ongoing challenges in terms of volume, the service has continued to incrementally reduce the amount of outstanding recruitment, and has successfully processed several national pay awards into the payroll workflow (Teachers Pay, NJC staff, and Chief Officers). The Employment Relations function continues to support a number of restructures across the organisation, whilst continuing to balance a higher than average volume of HR casework. It is clear however that as the Transformation Programme commences and organisation begins to change, there is no capacity in this 'Business as Usual' area to support that change. A different resourcing model will be required to ensure timely HR support to change objectives and this is currently being considered.

The service has commenced planning for the recruitment exercise that will lead to the appointment of the Executive Director Environment & Regeneration. During Q4 this will form a search campaign and a comprehensive assessment and selection process delivered by the HR and Organisational Development Services, in conjunction with a commercial partner and North West Employers.

As COVID restrictions have been largely removed, Organisational Development activity has gradually reverted to its pre-pandemic delivery format. It is evident that this change is valued by all concerned. The Organisational Development (OD) Team, along with the Chief Executive, delivered a celebration event for the 12 employees that have successfully completed the Institute of Leadership and Management (ILM) level 3 qualification. The qualification focused on subject areas such as Understanding Leadership Behaviours and Solving Problems and Making Decisions. Feedback from employees has been extremely positive. This cohort of employees should now be encouraged to consider where their next career opportunity in the Council might be and be supported to progress as opportunities permit. A further cohort commenced in quarter 3 and progress will be reported as appropriate.

The Liverpool City Region (LCR) project regarding Race Equality Training has been launched within Halton with Library Services, Community Centres and the Health Improvement Team amongst the first teams to attend. The training is enhanced with a pre-course e-learning module and/or pre-reading material to suit different learning styles. The training comprises of;

- Recognise barriers preventing engagement with race equality including unconscious bias and privilege, and the positive actions you can take to contribute towards positive change
- Explore terminology and techniques to undertake effective conversations on the challenges of race equality as a staff team
- Be provided with support to develop cultural competency and embed race equality throughout their roles
- Discuss best practice approaches to respond to micro aggressions, discrimination and harassment using case studies

- Commit to practical changes to implement in practice.
- To understand the lived experience of Black, Asian and minority people in the region and the compound effect of living in an unequal society and its impact on quality of life

Further training will be offered to Service Managers and Elected Members during quarter 4 of this year.

Elected Members recently received Dementia Awareness Training from the Alzheimer's Society and further training will be organised throughout 2023-24 in line with the Dementia Friendly Halton Action Plan.

The OD Team supported the Family Hub Transformation Project, facilitating 4 focused sessions to map Halton processes against the statutory framework to ensure an effective and efficiency delivery plan.

2114 e-learning modules have been completed in the quarter, demonstrating that this is now a mainstreamed and effective method for the delivery of a broad range of learning. Work continues to develop a Climate Change/Net Zero Module that will compliment Halton's Climate Change Action Plan.

During the quarter six new apprenticeship placements commenced in the Council (2 in Financial Management, 2 in Open Spaces, 1 in Logistics and 1 in Administration). This is a positive step following the impact of COVID and there having been no new apprentices hired in the last financial year. Linked to this, a further existing apprentice was appointed to a permanent role of Children & Families Early Years Worker during September following successful completion of the apprenticeship. This sustainable route to permanent employment has been the focus of the Council's work in the apprenticeship arena since the new government regime was introduced in 2017 and has been largely successful.

Aligned to the labour market conditions issue set out in the Emerging Issues section below, the Council's apprenticeship policy is being revised to reflect an evolved approach to hiring and training apprentices across a broader range of roles, using the budget against vacant posts to promote apprenticeships and the development of individuals to be equipped to apply for those vacant posts at the end of an apprenticeship. This will be developed further during 2023.

Within the service, work is ongoing around Traineeships with the aim that a small number of local young people who are care leavers or children in care will obtain a skill set that enables them to move on into apprenticeships within the Council. Progress will be reported in further quarters.

At the end of Q3, the Council's Partnership Officer left the Council to take up a post in a neighbouring authority. This provides an opportunity to re-focus the work that has been undertaken in that area over recent years, which has predominantly focused on the supporting of individuals within the scope of the Asylum Seeker and Refugee community, and more recently from Ukraine, as well as equalities related work in the Council. The activity is to be dismantled and placed into revised service models within the new Chief Executive's Delivery Unit, and the Community & Environment Department. This will take place during Q4 and will result in a more focused application of appropriate resources under new management arrangements.

Halton Borough Council, is one of more than 50 organisations from across the region – who have been awarded Aspiring status of the Fair Employment Charter, which encourages businesses to pay staff a Real Living Wage, clamp down on the use of zero hours contracts, provide mental health support, encourage flexible working and engage with trade unions

## **2.7 ICT and Administration**

**Key developments have been focused upon the development and deployment plan for the delivery of Microsoft 365, Microsoft Telephony and the review of the current Desktop Estate and Server Estate.**

Microsoft 365 E5 combines best-in-class productivity apps with advanced security, compliance, voice, and analytical capabilities.

- Extend identity and threat protection with integrated and automated security to help stop the continuing and ever-present damaging world of Cyber Attacks.
- 365 brings together information protection and advanced compliance capabilities to protect and govern data while reducing risk.
- Teams steps up a level from what we currently see, linked to audio conferencing and calling capabilities within the cloud to enable integration with the full 365 suite of products but also includes links to the contact centre and collaborative tools allowing for a greater level of integrated working internally within HBC as well as with partners, residents and through mediums such as Ai and the web
- We now have the capability to benefit from Power BI capabilities that help you realise significant business value from our data with projects within Children's starting to develop the base for Data Warehousing and ultimately reporting within this area.

### **Microsoft Azure:**

Considerable efforts have been undertaken to review the use of the authority's data centre facilities, with detailed costings and a review of space, location, power usage and hybrid cloud opportunity. The authority will endeavour to retain as much on-premises control of its server and desktop estates as possible. Allowing for the authority to determine the most cost-effective routes to systems deployment now and into the future.

Microsoft Azure brings with it a consumption model in terms of a negotiated pay as you go platform allowing the client to use as much or as little capacity as required and again this can be flexible but at a cost. The planning of such a platform is key to its affordability and potential benefit for the authority.

This platform brings with it a considerable array of web-based solutions and customer interaction opportunities, ranging from Ai through to interactive reporting and the development of add on systems to our CRM solution and existing application platforms. The only limitations will be the authority's imagination and ultimately funding given the associated costs that will need to be carefully managed moving forward as more technology is embraced within this environment.

Sickness Levels are well managed across the Support services department with low levels and zero levels within many departments over this period, staff are complying with the authorities wish for the levels of Hybrid working with time in the office productively used. For many within these service departments even throughout COVID staff remained within the offices full time as and when required due to role and service needs.

The Halton Cloud continues to support all 2250 internal/external desktop users connected into services at any one time from home, office, or externally with system uptime over this quarter being excellent, whilst accommodating a considerable number of changes and adaptations to the requirements profile of our user base over this extended period of the pandemic and beyond. The considerable rise in Agency workers has been dealt with effectively and the changes continue at approximately 25 new starters a week.

## **2.8 Legal and Democracy**

The transformation programme has continued at pace and has been supported by Officers throughout the Department.

Significant legal support continues to be provided to Mersey Gateway and other major projects.

The Education and Social Care Team continues to be under pressure with caseloads, and a desire from the judiciary to get cases through the Court system more quickly regionally.

Unfortunately the lately appointed Taxi Licensing Enforcement Officer left the team after a very short time due to personal reasons.

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

### **2.10 Stadium & Hospitality**

October seen the redevelopment of an accessible toilet in the West Stand to a fully accessible toilet with changing area and hoists which now available for public use, this was following the successful award by the Changing Places Fund. The stadium was chosen as the strategic base for Operation Crossbow and supported Cheshire, Merseyside, and British Transport Police with the Operation. Operation Crossbow seen a taskforce of over 200 Police Officers and around 100 vehicles base themselves at the Stadium before heading out into the community as a show of force and to send a strong warning to anyone associated with or linked to organised crime.

The Halton and Warrington Business Fair returned to the stadium for the 15<sup>th</sup> year, showcasing businesses from across the LCR and Cheshire area.

In November the stadiums safety team supported Leisure Services Division in the safety management of the Halton Firework Display and ran a See Check and Notify (SCaN) Counter Terrorism training session, the training was delivered by Cheshire Police's Counter Terrorism Security Advisor and was attended by staff from across the Communities and Greenspace Division and the wider council.

The recent decarbonisation works were shortlisted for an award at the Heating & Ventilation UK News 2022 awards, with the project being awarded 2<sup>nd</sup> place. The category was Heat Pump Project of the Year 2022.

Widnes Primary Care Network and local NHS providers collaborated again to offer a drop in covid-19 booster jab and pop-up Phlebotomy clinic in the West Stand Sports Hall.

The Stadium supported HBC's Public Health team with the storage of over 500 winter warmer packs prior to being delivered to identified vulnerable residents. Stadium Staff also supported the storage prior to distribution of 350 child mental health creativity boxes supporting the Samaritans.

Across the period, the Stadiums function rooms were used to host a number of events ranging Foster Carers party, Mayoral Charity Fundraising events, Lets Go Stroke Club, Cheshire Cricket awards evening and a busy festive period which seen the Stadium organise a variety of options for customers with each event well attended and reaching a new customer base.

### **2.11 School Meals**

School meals have continued to operate without any reduce service despite the high sickness levels and high staff turnover levels.

Food prices have risen with the last 12 months by up to 20% which has a negative effect on the forecasted outturn. As a result we have emailed all schools informing them of a proposed cost per meal increase. The proposal is to increase prices for FSM from £2.42 to £2.65 and for paid pupils from £2.50 to £2.70.

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

### **2.12 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. Planning application submitted. Planned start on site 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

All approvals now in place. Mobilisation works commenced in December 2022, formal contract start on site date is 9<sup>th</sup> January 2023 with contractual completion date being 3<sup>rd</sup> February 2025.

### 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. 12 projects have been completed, the remaining project will be completed over the next couple of 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.

### 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

Approval to the Town Deal funding was obtained in October and works are now progressing through to RIBA stage 4 design on 59/57. 69 is now going to be delivered as a separate project, and we are still in the process of obtaining No 63, so 63/65 is currently on hold, design works will recommence once we have obtained No 63..

### Brookvale Rec- Proposed Refurbishment works

An initial feasibility study has been submitted, this is currently being updated following further consultation with the Sports Development team, the revised study is due to be provided by February.

### Pickering Pastures- Proposed new pavilion building

The feasibility study that has been provided is being reviewed to allow for the costings to be updated. Funding options are being considered.

### Cavendish School - 2 class extension

The project has been tendered and a preferred contractor is waiting to be appointed, however planning approval has yet to be obtained. Once planning approval is obtained the contractor will be appointed and work commenced on site.



### The Brindley- Proposed extension

Approval to the Town Deal funding was obtained in October, following which design development is now progressing through RIBA stage 4. The preferred option has been agreed with a budget cost estimate of £5.6m, procurement options are currently being considered.

### 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. Approval to proceed to RIBA stage 3 now obtained.

### Elite House- Redevelopment

Approval to the Town Deal funding was obtained in October, there is also a bid in to the Combined Authority however for additional funding as the Town Deal funding is insufficient to carry out the desired scheme, the outcome of this as yet unknown. The RIBA stage 2 report has been issued by the architects for comment and feedback, discussions are ongoing and it is anticipated that this will move to RIBA stage 3 once the outcome of the additional funding is known.

### Changing Places Facilities

Funding has been secured for 3 Changing Places facilities which are planned be in Victoria Park, Shopping City and the Stadium respectively. The works within the Stadium are now complete and the facility available for use. Planning approval has been obtained for the project in Victoria Park, tender documents are being prepared as such the project will soon go out on the Chest for prices. The project in Shopping City has stalled however as such we are looking at an alternative venue, that being Halton Lea Library.

### Decarbonisation Projects

Following completion of the decarbonisation works at the stadium further feasibility studies have been commissioned in respect of carrying out further work at our buildings subject to funding. We are currently working with the NW Net Zero Hub with a view to submitting a Combined Authority bid to the Decarbonisation fund in 2023.

### Wigg Island- Demolition of former Pavilion

The project has now been out to tender and a preferred contractor is in place, once all approvals have been obtained the works will progress on site. It is anticipated that the work will be fully complete by the end of the financial year.

## **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 Extension

In the Chancellor's Autumn 2022 statement it was announced that the Household Support Fund is to be further extended from 1st April 2023 to 31st March 2024. The Government has given no indication of the amount of funding available for individual councils or any guidance as to how the funding can be spent.

### Alternative Support for Household Energy Bills this Winter

The Government is already providing support to consumers with their energy costs this Winter. This support is mainly being delivered directly as a credit to electricity bills and as a reduction to the unit cost of gas and electricity. The Government believes there to be around one million households across the UK that will miss out on the above mentioned support as they do not directly contract with a domestic electricity supplier. This group of households will instead qualify via the Energy Bills Alternative Funding Scheme.

The Government is asking local authorities to act as the delivery bodies for the Alternative Funding Scheme. The Department for Business, Energy and Industrial Strategy (BEIS) will be arranging a delivery model through a single application form on Gov.UK, which should centralise as much of the data gathering and validation as possible. BEIS will then share applications with local authorities, whose primary role will be to verify applicants' addresses once they have passed through the application portal, and to transfer the relevant financial support to successful applicants. The amount of support will be £400 paid direct to an applicant's bank account.

BEIS are expecting to issue guidance to councils in mid-January 2023 and for the scheme to go live from the end of January 2023. No indication has been provided yet of the estimated numbers of households we may need to make payments to.

From the eligibility criteria suggested for the scheme, BEIS would expect most members of the following groups to be eligible:

- Care home residents (provided they in some way pay towards their care);
- Park home residents;
- Households in caravans and houseboats on fixed/registered sites;
- Social and private tenants who get their energy through a commercial supplier (e.g. a landlord);
- Heat network customers not already covered by main EBSS (private wire/CHP);
- Farmers in domestic farmhouses, as well as others in domestic residences with a commercial supply;
- Homes off the grid.

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

#### External review of Internal Audit

The Public Sector Internal Audit Standards require that an external assessment of a local authority's internal audit function is carried out once every five years by a qualified, independent assessor or assessment team from outside of the organisation. External assessments can be in the form of a full external assessment, or a self-assessment with independent external validation.

The North West Chief Audit Executives' Group has established a 'peer-review' process that is managed and operated by the constituent authorities. This process addresses the requirement of external assessment through 'self-assessment with independent external validation'.

The five-yearly external assessment of the Council's internal audit service is due to be completed in the coming months. It will focus on audit activity from 2021/22 and 2022/23 and will involve interviews with key stakeholders. On conclusion of the review a report will be produced and presented to the Audit and Governance Board.

### **3.4 Revenues and Financial Management**

#### Statement of Accounts 2020/21 and 2021/22

Draft financial accounts for the two years covering 2020/21 and 2021/22 have been subject to external audit review from the Council's external auditors (Grant Thornton) and their Audit Findings Reports presented to Audit & Governance Board. Unfortunately, a national accounting issue covering undepreciated costs for infrastructure assets has resulted in a delay in the external auditor signing off the accounts for both years.

CIPFA released a bulletin in January 2023 with a temporary proposal (to March 2025) to enable local authorities to finalise the accounting process. As a result it is expected that the accounts for 2020/21 and 2021/22 will be fully signed off over the coming months.

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

Harsh labour market conditions continue and the challenges in the resourcing of many service areas continues. As reported in Q2, the service is progressing work around the re-engineering of the recruitment process, the setting up of specific recruitment campaigns for blocks of vacancies. In that vein, a campaign specific to Care Home recruitment will go live in early January 2023. Additional resources have been applied to the team to support recruitment work over the medium term. Sub-regional economic data continues to demonstrate that paid employment in the Liverpool City Region is at an all-time high.

Linked to the issue above, the use of agency workers continues to be high, however a significant reduction can only occur as the recruitment issues outlined above are resolved.

The Local Government sector pay claim for 2023/24 has been promoted by joint trade unions at a national level – the claim is 'inflation plus 2%'. This presents significant affordability challenges for the whole sector and is currently the subject of consultation between trade unions and their membership, as well as between regional employer organisations and local government employers.

A watching brief is being kept on employment relations issues across the sector. Teaching staff in some trade unions have been balloted on action related to pay awards and are set to strike. This inevitably causes disruption to all concerned. In practical terms it places significant additional workload on the Pay & Pensions team as it results in the processing of a number of payroll and pension contribution adjustments.

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 continues to be monitored and will be reported in future reports as appropriate.

### **3.6 ICT**

The next quarter for the teams associated with the changes ahead should not be classed as emerging issues but the development of positive change for the wider authority.

As discussed above the development of the Microsoft platform deployment is a key development for all teams within the services from Admin and Customer Services as we implement considerable change and are now designing new ways of working allowing for integration with the new platform ahead of us currently within the design phase.

As discussed, the design phase of this deployment must consider the objectives of the authority moving forward and the new ways in which it needs to work to survive within these constantly restrictive yet costly economic times.

The platforms ahead will be designed to allow for process innovation, linking services with self help and self-service portals, this will allow for residents to register within these systems as well enabling faster turnaround of services together with accurate data links with our clients and partners.

These projects are not overnight developments but ones that will be linked to the base platform currently in design.

The authority has partnered with an external provider, one with considerable experience across the NHS and Local and Central Government agencies in aiding with the development of the Microsoft platforms.

The objective is to have the finalised deployment plans in place by May of this year ready for final costings to be negotiated and approved by the authority.

This will encompass new and innovative ways of working from changes to the data centres reducing power consumption, through to new more secure desktop environments and simpler ways of accessing the systems and services used by all every day.

The primary objective is to simplify and speed up access to services and systems for both officers and the public, this will complement the 3-year objectives of the transformation plans and will work closely with the management within this area to ensure the systems compliment the objectives moving forward.

### **3.7 Legal and Democracy**

Legal support is being provided across the region for the setting up of the new Cheshire and Merseyside Health and Care Partnership.

The recruitment process is underway for a new Taxi Licensing Enforcement Officer.

It is expected that pressures will continue to increase in Children's and Adults Social Care cases.

Major projects will continue to demand extensive involvement from the Legal team.

Officers will provide increasing support to the transformation programme

### **3.8 Community & Environment**

None provided

### **3.9 Enterprise Community & Resources**

#### **3.10 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, a report has been produced which presents a number of options for how this can be more effectively used in the future to help generate revenue savings. A Member working group is to be set up to take this action forward.

#### 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 a second phase has now been commissioned which are currently being undertaken. We are currently working in conjunction with the NW Zero Carbon Hub with a view to submitting a Combined Authority bid in 2023 to the governments decarbonisation fund.

### Programmes Office (formerly External Funding Team)

Programmes Office staff recruitment and development of new systems.

Cost of Living - funding bulletin produced monthly to support organisations looking for funding for energy efficiency measures, running costs etc; Working with our colleagues in Community Development and also the VCA to look at trends, key issues, share funding opportunities etc;

### Other key pieces of work

- Delivering the Halton Investment Plan for UKSPF - £608,000 allocated for three strands of the programme – town centres; green, resilient, safe communities; culture, art, heritage. Now in Year 1 delivery.
- Developing monitoring systems and a Project Leads Manual for the Town Deal Programme
- Managing commissions for the Mid Mersey Park feasibility and for the Halton Destination Marketing Programme
- Continuing to develop the Funding Plan to support Halton Borough Council's Climate Action Plan

## **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 Council's latest annual progress report in relation to the achievement of its equality objectives is published on the Council website and is available via:

<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 Q3	Supporting Commentary
Report 2022-25 Medium Term Financial Strategy to Executive Board - <b>November 2021.</b>		Medium term Financial Strategy reported to Executive Board 17 November 2022
Report 2022/23 revenue budget, capital programme and council tax to Council - <b>March 2022.</b>		On target to report 23/24 revenue budget, capital programme and council tax to Council 08 March 2023

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 Q3	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 3 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 3 monitoring report on the overall budget will go to Executive Board on 16 February 2023.



Ref	Objective
FS 03	<b>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.</b>

Milestone	Progress Q3	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 took longer than expected and Audit Findings Report was presented to Audit and Governance Board on 23 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 Q3	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>		Reported to Executive Board 17 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 Q3	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 17th November 2022

## Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 3 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	Accounts not yet finalised pending sign off of treatment for infrastructure assets. Expected over coming months.
FS LI 02	Receive an unqualified VFM opinion from the Council's External Auditor	Yes	Awaited	N/A		N/A	Final VFM opinion expected to be reported to Audit and Governance Board March 2023.
FS LI 03	Proportion of Council Tax that was due that was collected	94.14 %	94.25%	54.4			This is down by 0.56% 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%	61.5			Business rates collection for the second quarter of the year is 83.16%, up by 2.68% 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	25.3			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	12.5			The Benefits Team is experiencing long term staff sickness absence and maternity leave and this is having a significant impact on processing performance.





Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 3 Position	Current Progress	Direction of Travel	Supporting Commentary
FSLI 07	Proportion of all supplier invoices paid within 30 days (including disputed invoices)	92.6%	93.0%	90.6%			Invoice payment performance can vary over time due to a range of factors, some of which are uncontrollable. Performance at the end of quarter three has however improved and in December 94.25% of all invoices were paid within 30 days.

*Policy, People, Performance & Efficiency Service*



**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 Q3	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

Milestone	Progress Q3	Supporting Commentary
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 Q3	Supporting Commentary
Establish 10 new apprentice placements within Council services, compliant with the requirements of apprenticeship legislation <b>March 2023</b> .		On target. 6 recruited to – refer to Key Developments. Other opportunities being re-advertised.
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 Q3	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.
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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 Q3	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 Q3	Supporting Commentary
Identify programme priorities and develop accommodation review work stream (in conjunction with EEP Dept) <b>June 2022.</b>		Accommodation review work stream in progress.
Mobilise programme work stream 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>		Ongoing, but may not be completed by end of March 2023. Will report further in Q4.



Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 3 Position	Current Progress	Direction of Travel	Supporting Commentary
PPPE LI 08	% of training delegates attending as proportion of places reserved:  Face to face  Virtual	100  95	95  95	96  0	 	 	Face to face attendance settled to anticipated levels during the quarter. As COVID restrictions have been removed, delegates have displayed preferences for the value of face to face learning and development once more. As a result, no virtual programmes were delivered during the quarter as there was no business demand.
PPPE L109	The percentage of top 5% of earners that are: Women	64.2%	55%	62.8%			Slight downward movement on component indicator (a), which stood at 62.35% at same point last year.  Fluctuation exists in (b) and (c), due to turnover.  It should be noted that recruitment in to the top 5% of earners is not high volume, and as such scope for significant change is low.
	a) From BME communities b)	2.67%	2.0%	2.6%			Slight downward movement on component indicator (a), which stood at 62.35% at same point last year.
	c) With a disability	1.25%	8.0%	0%			Fluctuation exists in (b) and (c), due to turnover.
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 %	1.23%			It should be noted that recruitment in to the top 5% of earners is not high volume, and as such scope for significant change is low.  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%	1.25%			Fluctuation exists due to turnover and outturn tends to hover around target level.

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 3 Position	Current Progress	Direction of Travel	Supporting Commentary
PPPE LI 12	Average time to recruit (Applicant Tracking System reported figure)	19 Days	15 Days	16 Days	U		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 Q3	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. New solutions are also under consideration linked with Microsoft developments.
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 and licensing restrictions to enhance functionality and the user experience, again considerable change is in front of us with the deployment of SharePoint Cloud and the benefits this will bring.
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 – As above the developments discussed within the body of the document will bring considerable opportunity for enhancement in the future.
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

		– with £150'000 funding recently gained to enhance the security compliance systems.
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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 Q	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 Q3	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 3 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 Council's 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.

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 3 Position	Current Progress	Direction of Travel	Supporting Commentary
ICT LI 03	School Support SLA: % of calls responded to within <u>agreed</u> target*:						Support remains at the same levels within this client environment, service agreements are due to be signed and a review of the service supply will be reviewed in line with the transformation process and corporate requirement.
ICT LI 03	Priority 1	100	85.00	100			Support remains at the same levels within this client environment, service agreements are due to be signed and a review of the service supply will be reviewed in line with the transformation process and corporate requirement. 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.
ICT LI 04	Priority 2	100	90.00	100			
	Priority 3	100	95.00	100			
	Priority 4	100	95.00	99			
	Average working days from delivery to completion of a new PC.	5 (Days)	5 (Days)	1			



### 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 Q3	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 Q3	Supporting Commentary
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 21 / 22	Target 2022 / 23	Quarter 3 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 organized Training Event.	51 (94%)	54 (100%)	34 (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 Q3	Supporting Commentary
Deliver a promotion and educational campaign March 2023.		On Target






### Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 3 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%	75.20 %			On target.
CE LI 02	% Take up of free school meals to those who are eligible - Secondary Schools.	56.29 %	65%	63.13 %			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%	59.40 %			On target
CE LI 04	Take up of school lunches (%) – secondary schools.	50.10 %	55%	54.78 %			On target

## Property Services

### Key Objectives / milestones

Ref	Objective
EEP 03	Corporate

Milestone	Progress Q3	Supporting Commentary
Commence Construction of new Leisure Centre on site by <b>31<sup>st</sup> October 2022</b>		Works commenced on site with the service diversion works on Moor Lane, site mobilisation has been taking place in December and the formal start on site is 9 <sup>th</sup> January 2023, completion being 3 <sup>rd</sup> February 2025.
Commence Construction of Extension to St Patrick's Nursing Home by <b>31<sup>st</sup> Dec 2022</b>		The project has been delayed whilst the consultation takes place with families. Design works are continuing with a view to starting on Site in late Spring.
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> .		12 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>		Completed.

## Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 3 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.	Investment £44,300 Commercial £574,916	Investment £53,467 Commercial £663,613	Investment £44,300 Commercial £450,916			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.
EEP LI 04	Occupancy rates of commercial and investment portfolio.	100 % Investment 89% commercial	100 % Investment 90% commercial	100 % Investment 93% commercial			There are 7 vacant which will be on the market or vacant until negotiations conclude.
EEP LI 05	Occupancy of Widnes Market Hall.	95%	96%	89%			It is too early to determine the position at year end. We currently have 5 more empty units than we did at year end 2022 as we have 3 less traders, this has picked up since the last quarter however. Traders have left due to difficult trading conditions, the car park charges have also had an impact.

## 7.0 Financial Statements

### FINANCE DEPARTMENT

#### Revenue Budget as at 31<sup>st</sup> December 2022

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employees	6,155	4,569	4,387	182	243
Premises	0	0	14	(14)	(14)
Insurances	894	722	811	(89)	(119)
Supplies & Services	450	410	460	(50)	(112)
Rent Allowances	35,500	22,802	22,820	(18)	(24)
Non HRA Rent Rebates	70	50	42	8	11
Discretionary Social Fund	106	106	139	(33)	(18)
Household Support Fund	1,890	1,890	1,890	0	0
Discretionary Housing Payments	300	187	187	0	0
Covid Isolation Scheme	0	0	-9	9	0
Concessionary Travel	1,898	1,065	736	329	439
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>49,598</b>	<b>34,042</b>	<b>33,718</b>	<b>324</b>	<b>345</b>
<b>Income</b>					
Clerical Error Recovery	-400	-117	-117	(0)	0
Rent Allowances	-34,900	-20,216	-19,912	(304)	(406)
Other Fees & Charges	-264	-197	-228	31	41
Non HRA Rent Rebate	-70	-53	-74	21	28
Burdens Grant	-60	-67	-90	22	29
Dedicated Schools Grant	-111	0	0	(0)	0
Discretionary Housing Payment Grant	-300	-280	-280	0	0
Housing Benefits Admin Grant	-515	-386	-386	(0)	0
Universal Credits	-5	-5	-5	0	0
Council Tax Admin Grant	-204	-206	-211	5	7
Household Support Fund Grant	-1,890	-144	-144	(0)	0
Council Tax Liability Order	-501	-381	-396	15	20
Business Rates Admin Grant	-155	0	0	0	0
VEP Grant	-9	-9	-9	(0)	0
Council Tax Rebate Scheme Admin Grant	0	0	-79	79	79
Covid Isolation Grant Income	0	0	36	(36)	(29)
Schools SLAs	-278	-279	-280	2	3
LCR Reimbursement	-2,241	-2,241	-2,241	0	0
Reimbursements & Other Grants	-111	-29	-94	65	86
Internal Income	0	0	0	0	0
CCG McMillan Reimbursement	-82	-56	-41	(15)	(20)
Transfer from Reserves	-387	-266	-343	76	101
<b>Total Income</b>	<b>-42,483</b>	<b>-24,933</b>	<b>-24,892</b>	<b>(41)</b>	<b>(61)</b>
<b>Net Operational Expenditure</b>	<b>7,115</b>	<b>9,109</b>	<b>8,826</b>	<b>283</b>	<b>284</b>
<b>Recharges</b>					
Premises Support	227	170	170	(0)	0
Central Support	2,518	1,888	1,888	(0)	0
Recharge Income	-5,753	-4,315	-4,315	(0)	0
<b>Net Total Recharges</b>	<b>-3,008</b>	<b>-2,256</b>	<b>-2,256</b>	<b>(0)</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>4,107</b>	<b>6,853</b>	<b>6,570</b>	<b>283</b>	<b>284</b>

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

The net Department spend is £0.283m below the budget profile at Q3, it is estimated the department will be £0.284m below the approved at financial year-end.

Employee costs are forecast to be under budget at year-end by £0.243m 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.

Insurance costs are currently projected to exceed the approved budget by £0.119m, resulting from a number of historic claims settled in the current year.

Concessionary travel costs are projected to be underspent against the annual budget by £0.439m. 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 employees of the largest operator over the summer months resulted in reduction in costs for the year.

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 due to an increase in the costs of supported accommodation. 60% of these costs are funded from housing benefits, with the balance falling to the Council.

Reimbursements & Other grant Income is projected to overachieve by £0.086m due to procurement card income, Early Payment Scheme discounts received and insurance service reimbursements.

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



## POLICY, PEOPLE, PERFORMANCE & EFFICIENCY DEPARTMENT

### Revenue Budget as at 31 December 2022

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employees	2,234	1,658	1,583	75	99
Employees Training	123	123	134	(11)	(7)
Apprenticeship Levy	300	237	240	(3)	(16)
Supplies & Services	144	112	126	(14)	(19)
Transport Related Expenditure	0	0	0	0	0
Agency Related Expenditure	11	1	3	(2)	(3)
Other Expenditure	0	1	1	0	0
Capital Financing	0	0	0	0	0
<b>Total Expenditure</b>	<b>2,812</b>	<b>2,132</b>	<b>2,087</b>	<b>45</b>	<b>54</b>
<b>Income</b>					
Fees & Charges	-132	-116	-120	4	5
Reimbursements & Other Grants	0	-1	-4	3	4
Schools SLA	-448	-448	-451	3	4
Transfer from Reserves	-70	-57	-57	0	0
<b>Total Income</b>	<b>-650</b>	<b>-622</b>	<b>-632</b>	<b>10</b>	<b>13</b>
<b>Net Operational Expenditure</b>	<b>2,162</b>	<b>1,510</b>	<b>1,455</b>	<b>55</b>	<b>67</b>
<b>Recharges</b>					
Premises Support	72	54	54	0	0
Central Support	1,037	777	777	0	0
Recharge Income	-3,252	-2,439	-2,439	0	0
<b>Net Total Recharges</b>	<b>-2,143</b>	<b>-1,608</b>	<b>-1,608</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>19</b>	<b>-98</b>	<b>-153</b>	<b>55</b>	<b>67</b>

### Comments on the above figures

At the close of the third quarter, Policy, Performance, People and Efficiency departmental net spend is under the budget profile to date by £0.055m, the forecast position through to the end of the year is for net spend to be £0.067m under the approved budget.

Employee's expenditure is forecast to be £0.099m under the annual budget. The majority of this is in relation to the budget for apprentices where the underspend for the year is forecast to be £0.125m.

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

## ICT & ADMINISTRATION

### Revenue Budget as at 31 December 2022

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employee	7,773	5,734	5,844	(110)	(146)
Supplies & Services Expenditure	1,012	669	661	8	10
Capital Finance	78	56	35	21	28
Computer Repairs & Software	1,258	1,237	1,213	24	33
Communication Costs	13	13	83	(70)	(71)
Premises Expenditure	99	80	100	(20)	(27)
Transport Expenditure	3	2	1	1	0
Agency Related Expenditure	0	0	0	0	0
Transfer from Reserves	15	0	0	0	0
Other Expenditure	0	0	3	(3)	(3)
<b>Total Expenditure</b>	<b>10,251</b>	<b>7,791</b>	<b>7,940</b>	<b>(149)</b>	<b>(176)</b>
<b>Income</b>					
Fees & Charges	-624	-124	-258	134	179
Schools SLA Income	-565	-547	-500	(47)	(61)
Reimbursements & Other Grant Income	0	0	-6	6	7
Transfer From Reserves	-485	-364	-364	0	0
<b>Total Income</b>	<b>-1,674</b>	<b>-1,035</b>	<b>-1,128</b>	<b>93</b>	<b>125</b>
<b>Net Operational Expenditure</b>	<b>8,577</b>	<b>6,756</b>	<b>6,812</b>	<b>(56)</b>	<b>(51)</b>
<b>Recharges</b>					
Premises Support	389	292	292	0	0
Transport Support	19	17	17	0	0
Central Support	1,593	1,194	1,194	0	0
Asset Rental Support	1,494	0	0	0	0
Recharge Income	-13,112	-9,835	-9,835	0	0
<b>Net Total Recharges</b>	<b>-9,617</b>	<b>-8,332</b>	<b>-8,332</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>-1,040</b>	<b>-1,576</b>	<b>-1,520</b>	<b>(56)</b>	<b>(51)</b>

### Comments on the above figures

In overall terms net spend is over the budget profile by £0.056m at the end of the third quarter and forecast to be above the approved budget by £0.051m at the end of the financial year.

Employee's costs are £0.110m over the approved budget at the end of Q3. Whilst there are some vacancies across the department these have not been held open sufficiently to achieve the departmental staff turnover budget of £0.529m. These targets are higher across the administration division following a saving proposal which was implemented in 2020/21.

SLA income is marginally below the budget target at Q3 and this trend is expected to continue towards the final outturn position.

Fees and charges income budget relates to external client income for traded services. This is for Agresso implementation and continued support and the income target is expected to be exceeded at the final outturn position.

**Capital Projects as at 31<sup>st</sup> December 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	273	273	427
<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.

## LEGAL & DEMOCRATIC SERVICES DEPARTMENT

### Revenue Budget as at 31 December 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	1,942	1,552	1,712	(160)	(213)
Supplies & Services	322	198	201	(3)	(4)
Civic Catering & Functions	39	23	5	18	25
Legal Expenses	218	218	296	(78)	(104)
Transport Related Expenditure	10	10	12	(2)	(2)
<b>Total Expenditure</b>	<b>2,531</b>	<b>2,001</b>	<b>2,226</b>	<b>(225)</b>	<b>(298)</b>
<b>Income</b>					
Land Charges	-84	-60	-55	(5)	(7)
School SLA's	-85	-84	-82	(2)	(3)
Licence Income	-263	-185	-207	22	29
Government Grant	0	0	-21	21	21
Fees & Charges Income	-65	-61	-61	0	0
Transfer from Reserves	-46	-39	-199	160	213
<b>Total Income</b>	<b>-543</b>	<b>-429</b>	<b>-625</b>	<b>196</b>	<b>254</b>
<b>Net Operational Expenditure</b>	<b>1,988</b>	<b>1,572</b>	<b>1,601</b>	<b>(29)</b>	<b>(44)</b>
<b>Recharges</b>					
Premises Support	58	44	44	0	0
Central Support Recharges	351	263	263	0	0
Support Recharge Income	-1,895	-1,421	-1,421	0	0
<b>Net Total Recharges</b>	<b>-1,486</b>	<b>-1,114</b>	<b>-1,114</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>502</b>	<b>458</b>	<b>487</b>	<b>(29)</b>	<b>(44)</b>

### Comments on the above figures

In overall terms net spending is £0.029m above budget profile at the end of Q3, with the forecast outturn expected to be £0.044m above the annual budget.

Employee costs for the year are expected to be £0.213m due to the increased associated with paying for legal locum cover as a result of recruitment difficulties. It has been agreed these costs will be funded from reserves.

Legal expenses are projected to overspend against the annual budget by £0.104m. These projections are only an estimation, 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.

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 31 December 2022**

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

The net Department spend is £0.044m over the approved budget at the end of Quarter 3. The forecast outturn is likely to show an improvement on this and is estimated at £0.346m under the approved budget.

Net employee spend is below the budget to date by £0.801m, due to the number of vacancies within the department resulting from delays and difficulty in recruitment. This reflects vacancies within the school meals, leisure and open spaces services. Number of full time equivalent staff in the service is 425.

Premises costs are £0.039m over budget at the end of Quarter 3 with the forecast outturn estimated to be in the region of £0.100m over the approved budget. Costs for utilities across all sites are unclear for the final four months of the year given the increased cost of electricity and gas. Cost and usage will continue to be reviewed on a monthly basis and action taken to minimise where possible.

Spend on Supplies and Services is currently £0.051m over budget and spend on Hired Services is £0.122m over budget. This includes crematorium spend for the decommissioning of the temporary cremator plus equipment costs, including £8k/month for container hire.

The department has now received final invoices relating to 2021/22 waste disposal contracts. The indication is these costs are much lower than was forecast in finalising the 2021/22 accounts. The difference in actual cost to forecast is considered to be in the region of £0.500m but work is on-going to gain assurance over the final billed amount.

Charges for 2022/23 waste disposal contracts are calculated based on the average cost per tonne in the previous year. Further work will be undertaken in estimating costs for the full year to ensure accuracy of final estimated amounts.

Fees & Charges income is £0.043m under budget at the end of Quarter 3 and is not expected to hit budgeted targets. The cancellation of certain events, such as the Vintage Rally means that the associated income will not be realised. Shortfalls in income in the Leisure Centres and the Stadium plus a reduction in room hire at Community Centres and Libraries have also contributed under achieving income objectives.

Transport recharges are expected to be higher than budgeted due to fuel and other cost increases. This has resulted in an overspend against budget of £0.187m at the end of Quarter 3 with an estimated outturn overspend for 2022/23 of £0.250m.

## Capital Projects as at 31 December 2022

<b>Project Title</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>
Stadium Minor Works	37	10	9	28
Halton Leisure Centre	3,296	1,200	1,359	1,937
Brookvale Pitch Refurbishment	70	38	71	-1
Stadium decarbonisation scheme	0	0	117	-117
Open Spaces Schemes	450	157	157	293
Children's Playground Equipment	80	5	3	77
Upton Improvements	13	0	0	13
Crow Wood Park Play Area	39	25	27	12
Landfill Tax Credit Schemes	340	0	0	340
Runcorn Town Park	256	150	164	92
Widnes Crematorium, Replacement Cremator	200	200	242	-42
Spike Island / Wigg Island	60	5	1	59
Litter Bins	20	0	0	20
<b>Totals</b>	<b>4,861</b>	<b>1,790</b>	<b>2,150</b>	<b>2,711</b>

### Comments on the above figures

#### **Halton (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. The Leisure Centre contract start date is 09/01/23 for a 108 week build. Spend to date of £2.25m includes all works associated with the PCSDA and CPO etc. Anticipated spend of a further £760k bringing the total spend to £3m by 31st March 2023.

#### **Brookvale Pitch Refurbishment**

The scheme is now complete. An invoice is due February for £32,605 for the practical completion. There is a slight overspend due to additional fence panel/gate request works.

#### **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 was completed in March 2022 with retentions due April 2023.

#### **Open Spaces**

This covers spending on a variety of externally funded projects, including Arley Drive/Halton Housing Trust and Fairfield History projects. Schemes on this code are progressing, although slightly behind the expenditure profile due to capacity issues.

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

This is an ongoing project which includes spend on improvements within the Borough's playgrounds. A contract has been let for the majority of this spend and it is expected to have most of the budget spent this year.

#### **Crow Wood Park**

The main contract for the new park building has ended. A small amount of work to the building is required plus additional landscape contract to complete the paths - this is ongoing with some work from Property services and Open Spaces team to complete.

**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 is anticipated in 2022/23.

**Runcorn Town Park**

Project to renew park infrastructure. Project is ongoing with 2 contractors on site expect to meet expenditure by end of financial year. Possibly some carry forward will be needed to complete work in season and for contingency payments.

**Widnes Crematorium replacement Cremator**

Contract works on the new cremator are complete. Some of this overspend is as a result of the original budget of £200k being based on the quote from a company that later had to drop out of the process because they failed to meet the financial solvency requirements HBC needed. The company who could meet out our financial requirements quote was an additional £31k. A further £10k overspend is as a result of repairs required to unforeseen damage to the original building slab under the old cremator when it was removed.

**Wigg/Spike Island Recovery Works**

The programme is slightly behind due to staff capacity issues. Waiting for a consultancy agreement to be put in place so the scheme can progress using external help.

**ECONOMY ENTERPRISE & PROPERTY DEPARTMENT**

	Annual Budget	Budget to Date	Actual	Variance (Overspend)	Forecast Outturn
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employee Related Expenditure	4,898	4,210	4,103	107	143
Pay Award	195	0	0	0	0
Repairs & Maintenance	2,347	1,631	1,681	(50)	(67)
Premises	92	90	90	0	0
Energy & Water Costs	895	500	594	(94)	(126)
NNDR	549	549	633	(84)	(84)
Rents	177	141	141	0	0
Economic Regeneration Activities	37	13	0	13	17
Security	486	329	345	(16)	(22)
Supplies & Services	618	434	430	4	5
Supplies & Services - Grant	1,284	574	574	0	0
Grants to Voluntary Organisations	130	103	103	0	0
Capital Finance	30	30	30	0	0
Transfer to Reserves	190	187	187	0	0
<b>Total Expenditure</b>	<b>11,928</b>	<b>8,791</b>	<b>8,911</b>	<b>(120)</b>	<b>(134)</b>
<b>Income</b>					
Fees & Charges Income	-773	-386	-386	0	0
Rent - Commercial Properties	-837	-517	-431	(86)	(115)
Rent - Investment Properties	-53	-43	-43	0	0
Rent - Markets	-796	-604	-583	(21)	(21)
Government Grant	-803	-803	-803	0	0
Reimbursements & Other Grant Income	-1,206	-726	-726	0	0
Schools SLA Income	-381	-381	-362	(19)	(19)
Recharges to Capital	-243	-71	-71	0	0
Transfer from Reserves	-1,883	-1,451	-1,576	125	125
<b>Total Income</b>	<b>-6,975</b>	<b>-4,982</b>	<b>-4,981</b>	<b>(1)</b>	<b>(30)</b>
<b>Net Operational Expenditure</b>	<b>4,953</b>	<b>3,809</b>	<b>3,930</b>	<b>(121)</b>	<b>(164)</b>
<b>Recharges</b>					
Premises Support	1,474	1,106	1,106	0	0
Transport Support	27	20	20	0	0
Central Support	2,082	1,562	1,562	0	0
Asset Rental Support	4	0	0	0	0
Recharge Income	-6,258	-4,693	-4,693	0	0
<b>Net Total Recharges</b>	<b>-2,671</b>	<b>-2,005</b>	<b>-2,005</b>	<b>0</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>2,282</b>	<b>1,804</b>	<b>1,925</b>	<b>(121)</b>	<b>(164)</b>



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

The Department recognises the significant financial challenges they face and will continue to face into the near future, particularly given the elevated levels of inflation for commodities including fuel, energy, materials, and increased wage demands. Budget holders actively manage their budgets and work closely with the Financial Management team to try and achieve a balanced budget.

To date the Department is reporting net spend to be over the approved budget by £0.121m. The longer term forecast through to the end of the year estimates net spend will be above the annual budget by £0.164m.

Across the Investment & Development Division several posts are currently vacant due to a restructure that has taken place. Temporary resources are in place where it has been possible to find the appropriate skill set required. It is envisaged that the vacancies will not be filled this financial year. The delay in recruitment of staff has improved the employee budget position this quarter. The 2022/23 pay award was agreed in October.

The impact of increased energy and fuel costs continue to be monitored during the year and it is anticipated that current budget provision will not be sufficient to meet rising costs and will therefore be met from Council reserves. Latest forecasts show an increase of 207% increase in Gas Costs and 64% electricity costs

The Asset Management Service is currently forecasting a budget pressure of £0.285m which includes reduced rental income. This figure is inclusive of empty property business rates costs of £0.084m, repairs and maintenance costs of £0.042m to ensure buildings are in a satisfactory state for future tenants.

Work is ongoing to fill vacant properties. There will be a monetary impact of any delays.

The savings put forward to provide additional office space for external agencies at Rutland House will not be achieved this budget year. This budget pressure will continue into financial year 2023/24. It is important that any future savings put forward can be delivered and will not create an added budget pressure.

Due to adverse trading conditions in the retail sector which have been worsened by inflation and increased utilities costs, the department is projecting to under achieve on market rental income targets this budget 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.

The School Cleaning Service Level Agreement (SLA) is not covering its costs this budget year due to the need to employ agency staff to cover sickness and leave and the pay award. A review of SLA charges has been undertaken ahead of the next budget year.

## ECONOMY ENTERPRISE & PROPERTY DEPARTMENT

### Capital Projects as of 31 December 2022

	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	18	18	146
Murdishaw Redevelopment	31	2	2	29
Equality Act Improvement Works	200	53	53	147
Widnes Market Refurbishment	6	6	6	0
Broseley House	21	7	7	14
Solar Farm Extension	11	0	0	11
Foundry Lane Residential Area	2,117	2,075	2,075	42
Kingsway Learning Centre Improved Facilities	36	0	0	36
Halton Lea TCF	388	353	353	35
Property Improvements	213	169	169	44
Astmoor Regeneration	14	14	14	0
Woodend - Former Unit 10 Catalyst Trade Park	500	79	79	421
Runcorn Station Building Development	110	60	60	50
St Paul Mews	500	500	515	(15)
Runcorn Town Centre Redevelopment	2,000	1,346	1,346	654
<b>Total</b>	<b>6,311</b>	<b>4,682</b>	<b>4,697</b>	<b>1,614</b>

#### Comments

**3MG** - Planning approval was granted for HBC Field and the Council will complete the transaction on 28<sup>th</sup> Feb 2023. Discussions have taken place with LCR colleagues in relation to the Tax Site status of 3MG and Culina have been referred to LCRs tax specialist for enquiries about a Custom site.

**Murdishaw** - The partnership development continues, supporting onward in leasing the former boxing club and establishing a CIC. Alongside this, work is ongoing to develop the outdoor space at Murdishaw Community Centre.

**Equality Act Budget**- There are several access type schemes using the equality act budget this year so it is anticipated 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.

**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.

**Foundry Lane** – Project Works now well underway. Remediation Works to Phase 1 complete, with housing construction to commence mid 2023. Statutory planning documentation relating to Phase 2 currently being drawn up, due for submission in 2022/23 Q4.

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

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

**Property Improvements**- 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.

**Astmoor Regeneration** –Langtree formally appointed as JV Partner with project design/approval underway. Full Development Agreement currently being drawn up – delayed due to HM Land Registry errors needing to be addressed. Full phased Work Programme agreed in draft.

**Woodend Unit 10 Catalyst Trade Park** - Refurbishment works have commenced on site due for completion prior to 31st March 2023. Likely expenditure circa £550,000




**Runcorn Station Building Development** - Architectural images of the station have been produced. Network Rail's Asset Manager has endorsed the options report, which is a key stage to progress the project. Project sponsor has been liaising with their Capital Delivery Team to discuss moving the project to the next stage and the requirements / resources needed from Network Rail to do that.

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




## 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 on course to be achieved.</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 uncertain or too early to say at this stage 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 will not be achieved 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.