

# Corporate Policy and Performance Board– Priority Based Monitoring Report Q4

Reporting Period: 01<sup>st</sup> January to 31<sup>st</sup> March 2023

## 1.0 Introduction

- 1.1 This report provides an overview of issues and progress against key service objectives/milestones and performance targets, during the final 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:-

### **Financial Services**

### **2.2 Benefits Division**

#### Processing Times

At 31<sup>st</sup> March 2023 processing times for Housing Benefit and Council Tax Reduction were as follows: new claims 23.71 days and changes in circumstances 9.55 days.

#### Household Support Fund No.3

The third allocation of the Government's Household Support Fund covered the period 1<sup>st</sup> October 2022 to 31<sup>st</sup> March 2023. Halton's funding allocation of £1.2m has once more been co-ordinated by the Benefits Division. The utilisation of the funding via a number of Council departments and Voluntary Sector Agencies is summarised in the table below, and illustrates the spread of support provided to vulnerable households and residents across the Borough.

Area of spend	Amount £
Free school meal vouchers for school holidays	536,592
Payment to vulnerable pensioner households	405,500
Discretionary Support Scheme awards	167,314
Citizens Advice Bureau	30,000
Fuel Bank	19,977
Holiday Activity Food Programme	5,000
Widnes Food Bank	10,000
Runcorn Food Bank	10,000
Affordable Warmth (Energy Projects Plus)	9,745
Halton Voluntary Action	10,000
Total	1,204,128

### Alternative Support for Household Energy Bills

- Energy Bills Support Scheme Alternative Funding:

In September 2022 Government announced the introduction of the Energy Bills Support Scheme (EBSS). The Scheme was intended to provide a discount on energy bills of £400 for most households in Great Britain, to offset the rapidly rising costs of energy. This scheme is being delivered through domestic electricity suppliers in six instalments from October 2022 to March 2023.

However, there are a number of households who pay for their electricity in a different way, such as through a commercial intermediary, and so will not receive support through EBSS. Therefore in December 2022 Government announced the introduction of the Energy Bills Support Scheme Alternative Funding (EBSS Alternative Funding), which was established to provide support to households not eligible for the automatic Energy Bills Support Scheme. The EBSS Alternative Funding is a one-off £400 non-repayable payment to eligible households, to help with their energy bills between 27<sup>th</sup> February 2023 and 31<sup>st</sup> May 2023. Individuals must apply for the EBSS Alternative Funding via a Gov.UK portal. Local authorities will then be responsible for distributing support payments to eligible applicants.

The Department for Energy Security and Net Zero (DESNZ) expects eligible households to include those with a commercial landlord or intermediary, such as park home residents and some housing association tenants. The EBSS Alternative Funding is expected to reach a significant number of vulnerable people, including self-funding residents in care homes. Halton has received funding of £412,400 which suggests that DESNZ expect there to be 1,031 households eligible for the EBSS Alternative Funding.

Households eligible for EBSS Alternative Funding may include the following:

- park home residents
- housing association, social and private tenants, and leaseholders, supplied via a landlord with a commercial meter
- partly and wholly self-funded care home residents
- households in house boats on residential moorings
- households on a private electricity network, for example those supplied by a heat network
- off-grid households
- traveller households on authorised sites
- households who live in a dwelling on business premises that is used wholly or partly for domestic purposes
- Households in temporary/supported accommodation
- Alternative Fuel Payment Alternative Fund (AFP AF):

The Government also announced the Alternative Fuel Payment (AFP), a £200 support payment for households that use fuels other than gas to heat their homes. Much of the delivery of this scheme will happen via energy suppliers, with eligible households being paid automatically from 06 February 2023 with no action for them to take. Although automated payments can be made to approximately 90% of eligible households, a small group remains which we are not able to pay automatically. This group must apply via a Gov.UK portal to receive the Alternative Fuel Payment Alternative Fund (AFP AF).

The Government has asked councils that are responsible for council tax records and collection (“Billing Authorities”) to act as the delivery bodies for AFP AF funding. The Government will 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 support (£200 payment) to successful applicants. The requirement will be for applicants to prove their eligibility, with local authority efforts being desk-based.

The Discretionary Support Scheme Team within the Benefits Division, will carry out the Council’s role in verifying addresses and processing payments in respect of both the Energy Bills Support Scheme Alternative Funding and the Alternative Fuel Payment Alternative Fund.

## **2.3 Revenues and Financial Management Division**

### 2022/23 Quarter 3 Spending

For the financial year to 31 December 2022, overall Council operational net spending was £54.2m against a budget of £49.3m to date, resulting in an overspend position to date against budget of £4.9m. The forecast position for the year to 31 March 2023 was an estimated overspend of £7.1m.

Capital spending at 31 December 2022 totalled £18.5m, which is 102% of the planned spending of £18.2m at this stage. This represents 64% of the total Capital Programme of £28.9m (which assumes a 20% slippage between years).

Work is underway to prepare the year-end accounts and the financial outturn position as at 31 March 2023 will be reported to Executive Board on 15 June 2023

### Council Tax and Business Rate Collection

Council tax collection for the final quarter of the year is 93.9%, down by 0.23% on this point last year. Cash collection for the year to date is £70.6m, this includes £2.0m collected in relation to previous year debt.

Business rates collection for the final quarter of the year is 97.6%, up by 0.25% on this point last year. Cash collected for the year to date is £54.4m, this includes £1.7m collected in relation to previous year debt.

## **2.4 Audit, Procurement and Operational Finance Division**

### Purchase to Pay

Income generated from the Council’s early payment arrangements for supplier invoices totalled more than £160k in income in 2022/23. Additional income generated from SLA’s with external clients amounted to a further £101k. Over the financial year, 91% of all Council supplier invoices were paid within 30 days. Performance has dipped very marginally from 2021/22 due to the staffing vacancies experienced during the year.

### Insurance

The Council has renewed its insurance policies for 2023/24 with its existing insurers. The final contract extension has been taken on the Council’s liability, personal accident, crime, and engineering policies. This means that all of these policies will need to be retendered ahead of the 2024/25 financial year.

The public sector insurance market remains volatile and the impacts of inflation, supply chain pressures, and the cost of living are impacting on premiums. Despite the Council’s high levels of self-insurance, and excellent claims record, renewals for 2023/24 have seen significant increases on the main insurance policies:

- Liability – 17.5% increase
- Motor – 10% increase
- Property – 10% increase

- The Council’s property, motor and computer policies are now entering the third year of a three-year contract, which has two further one-year extension options. A decision will be taken later in the year as to whether to take up the extension options or to retender the entire suite of insurance policies.

The Council’s insurance brokerage contract, currently awarded to Aon, is also due to expire on 31 March 2024 and will need to be retendered this year.

Direct Payments

The Direct Payments team delivers a support service to approximately 880 individuals who have opted to have their assessed care and support needs met by receiving a Direct Payment. As part of its role, the team undertakes an ongoing programme of audits of individual Direct Payment accounts, to provide assurance that funding has been used in accordance with assessed support plans and agreed outcomes. The audit process also involves recovering surplus funds where appropriate.

During 2022/23, the team completed a total of 793 audits of clients’ accounts and recovered over £1.95m. Approximately £1.75m of this sum was paid back into the Council’s community care budget and used to support in-year expenditure. The remaining sum related to health funded clients and was returned to the Integrated Care Board.

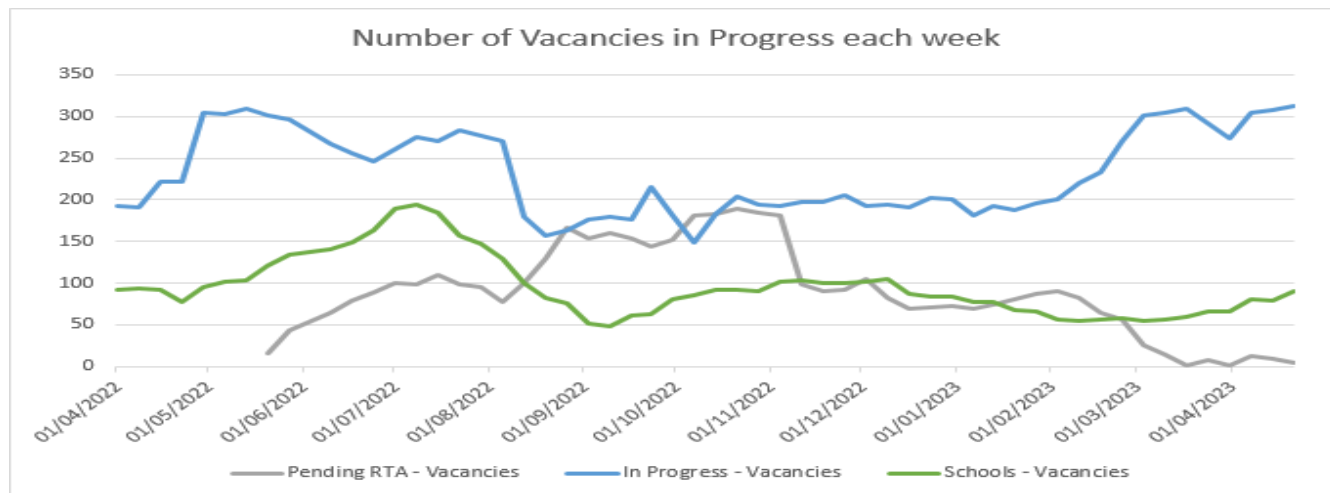
Sundry Debtors

During 2022/23 the Council raised 38,027sundry debtor invoices totalling £61,685,966. At year-end, the collection rate for debt raised in-year was 78.75%. It should be noted that the collection rate constantly changes in accordance with the value of invoices raised and the timing of payments received.

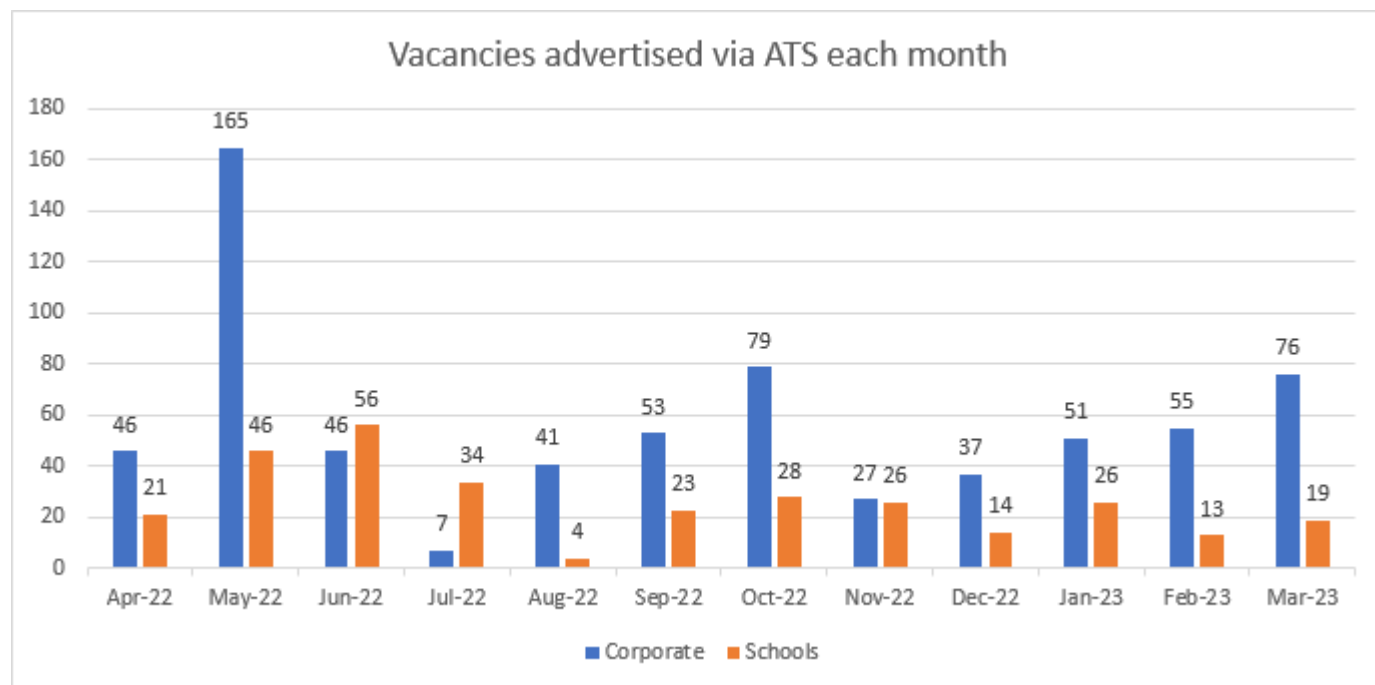
**2.7 Human Resources, Organisational Development, Policy, Performance and Efficiency**

On 28<sup>th</sup> February 2023, the Policy, People, Performance & Efficiency (PPPE) Department ceased to exist and was replaced by the Chief Executive’s Delivery Unit on 1<sup>st</sup> March, forming one of four departments sitting in the Chief Executive’s Directorate. In summary, the new department contains all of the services that were in the PPPE Dept, with the exception of the Partnerships function – elements of which have moved to service areas within the Environment & Regeneration Directorate. The operational HR functions now sit within a dedicated division to enable focused leadership and engagement across the Council, and are augmented with the addition of Health & Safety. The complement of services has been expanded by the addition of Communications & Marketing, and Research, Data & Intelligence, which have transferred in from other departments. In addition, the new Transformation Delivery Unit is situated within this structure. Future performance reports will reflect the structure and activity of the new department.

Despite significant ongoing challenges in terms of volume, the service has continued to incrementally reduce the amount of outstanding recruitment. Service volumes are represented below and it can be seen that demand for the filling of vacant posts remains high.



The line labelled 'Pending RTA – Vacancies' in the graphic above represents recruitment demand that could not be accommodated within the available resources, so was queued. This results from increased demand generally, but also from the annual upswing in school recruitment that occurs from May to September – further illustrated below. It's very positive that this had reduced to zero by the end of March, achieved through the application of additional resources, as well as some streamlining of process.



Work is now ongoing within the Transformation Programme to completely review the Council's approach to recruitment as it is clear that the existing operational platform, which was implemented in 2017/18, is not suitable for the labour market that now prevails. Further updates will feature in future reports and also in the reporting of Transformation Programme activity.

The Employment Relations function continues to support a broad range of work across the organisation, whilst continuing to balance a higher than average volume of HR casework. It was noted in Q3 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 has been designed and will be refined and consulted upon during Q1 of 2023/24 to configure timely HR support to change objectives. A further report on this will feature in the Q1 2023/24 report.

The Pay & Pensions service is operating on a stable basis, however the unpredictability of timescales around the agreement of Local Government pay awards for 2023/24 creates issues for this service. The later these agreements are made, the more retrospective work there is to be processed by this service area, and resources do not exist to cover this so a pragmatic approach has to be taken, usually incurring cost to the Council in respect of overtime and additional hours worked. Further updates on those negotiations / agreements is in the Emerging Issues section below. It is already clear however that it may be some months before the pay awards that should have been agreed nationally for implementation on 1<sup>st</sup> April 2023 will be significantly delayed.

The service has set up and delivered the recruitment exercise leading to the appointment of two new Operational Directors in Adult Social Care – an exercise that forms part of a directorate restructure. In addition, the appointment of the new Executive Director Environment & Regeneration has concluded, following 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. A similar process is being put in place to recruit the Council's next Executive Director for Children's Services.

The Liverpool City Region (LCR) Learning and Development collaboration project is continuing to deliver Race Equality Training for employees and managers across the region. To add value to the project, EqualTeach have been commissioned to deliver Elected Member Training regarding Race Equality with 12 Members attending in March 23. Positive feedback from the session has stated;

*“Overall, it was one of the most successful seminars I have attended. The trainer’s ability to deal with Unconscious Bias was, in my opinion, exemplary”.*

Further sessions to be explored for those unable to attend the initial training later in the year

To complement the Health and Wellbeing programme, delivered by the Health Improvement Team, further dates have been established for Mindfulness Courses’ with the Positive Behaviour team. The Mindfulness courses will be offered on a 1:1 basis, group sessions and a comprehensive 8-week course for those requiring a longer term intervention. The Organisational Development (OD) Team has been liaising with Employment Relations Service to promote to the right audience to ensure greater impact. This is designed to prevent absence and promote effectiveness within the services of those employees who attend.

A celebration and recognition event was held for those employees that recently completed the Institute of Leadership and Management (ILM) Level 3 qualification. The Chief Executive presented certificates to those able to attend and celebrated the success stories with the cohort. Halton Borough Council has recently undergone the annual assessment with the Awarding Body, an extract from the final report can be seen below;

*“This is a small, competent, ILM Centre which continues to successfully recruit to Level 3 Award in Leadership and Management and Level 5 Award in Leadership and Management. The learners on programme are employees of Halton Borough Council, who clearly benefit from their studies, and learner and employer satisfaction has been evidenced through learner progression from Level 3 to Level 5, and enhanced job performance”.*

The e-learning platform has been redesigned and launched in this quarter, giving the platform a more contemporary appearance and ease of navigation for users’. The themes have been mapped against the Organisational Development Strategy and the key topics of the Transformation programme – this will ensure that investment in learning is clearly aligned to organisational priorities and forms part of a shift in focus for the Organisational Development service which will take place over the coming months.

E-learning take up in the quarter was 1373, representing an excellent return on investment across the 13 week period. In essence this translates into an average of 21 episodes upskilling per day through this platform alone.

The HBC Apprenticeship Policy has been updated for the new financial year, offering more flexibility to services through the initiative of ‘freezing’ vacant post budgets to match apprenticeship duration, with the new hire apprentice commencing at 75% of the appropriate salary level applicable to the position. It is anticipated that this will enable the Council to attract more apprentices, which aligns with an expanded portfolio of nationally available approved apprenticeships. The Council will also be offering new hire apprenticeship rates for higher level and degree apprenticeships.

1 further new hire apprentice was appointed in the quarter (Heavy Vehicle Service & Maintenance Technician L3), taking the Council to a complement of 8 new hire apprentices.

A new initiative has been implemented in partnership with Riverside College – targeted recruitment to in relation to our Administration Service function of A-Level business students who are coming to the end of their qualification, this seeks to address need in an area in which we’ve struggled to recruit in recent times. This is particularly appealing to those students who do not wish to go onto University and want to expand their knowledge and develop skills and behaviours in a working environment and to start their careers.

In addition to the work on apprenticeships, one Traineeships has commenced.

## 2.8 ICT and Administration

Through extensive research and workshops, the project team within Halton ICT Services has started to gain an understanding of the 'Art of the Possible' and the opportunity open to the wider user environment by starting to look at the use of the Microsoft M365 and Azure Cloud platforms. In conjunction with other cloud-based offerings opening up the world of interactive solutions such as AI, machine learning, improved and simplified user and customer experience, opportunities that express themselves through face to face, call centre, web, even telephony and just as importantly the internal customer experience through the technology platform we use as officers and councillors.

This and the next quarter for the teams associated with the changes ahead they will be looking to deploy this development of positive change for the wider authority.

As discussed within previous reports the development of the M365 Microsoft platform is a key development for all teams within the wider authority. Within Admin, ICT and Customer Services we are to implement considerable change under the transformation programme ahead, designing new ways of working allowing for integration with the new platform ahead of us currently completing 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 target a more personalised customer experience for residents to register within these systems as well enabling faster turnaround of services together with accurate data links with our clients and partners as these projects evolve over the next 24 months.

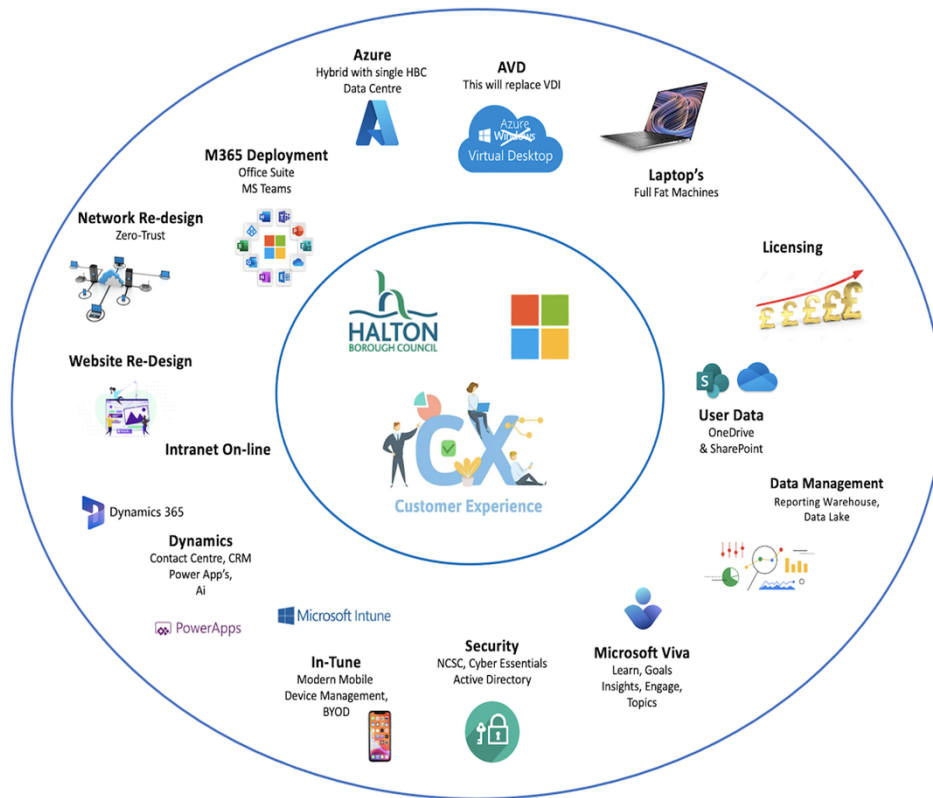
These projects are not overnight developments but ones that will be linked to the base platform currently in design.

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 changes ahead are considerable but planned to enhance and develop the internal and external customer experience over the coming years as this considerable range of projects evolves to deliver services within Halton. The officer desktop experience will be one of the first projects to be delivered in line with the recent deployment of M365 to councillors.



## 2.9 Legal and Democracy

Executive Board have approved minor amendments to the Constitution and recommended them to Council in Quarter 1.

Work has continued with Merseyside and Cheshire colleagues on the establishment of the Heath and Care Partnership.

The team continues to be deeply involved in the Transformation Programme.

The Education and Social Care team in Legal is still under great pressures due to case load and court timescales.

Attempts to recruit a Taxi Licencing Enforcement officer are continuing.

Legal Services have again been providing support in respect of major projects including Mersey Gateway and Freeport.

## 2.10 Stadium

Widnes FC recorded their record home attendance when they played Macclesfield Town FC with 630 spectators, they are currently in a relegation battle.

The Stadium hosted St Helens RLFC for training due the inclement weather and not being able to train as their usual venue prior to them travelling to Australia to become World Club Champions.

Widnes Vikings started their 2023 Betfred Championship Campaign in fine form winning 5 out of 8 games. Attendances are comparable to the 2022 seasons.

The stadium hosted North Wales v Dewsbury after an RFL recommendation due to a home ground fixture clash.

The annual Mayors Civic Ball was held at the stadium, hosting civic leaders from surrounding boroughs.

The upgrade of the executive box level started, seeing new tables, chairs and AV equipment for each box.

Self-service tea/coffee trial begins on the executive level, offering a wider selection and possible reduction cost.

Entertainment PA system purchased to reduce the potential cost of larger scale events at the Stadium. A stage and canopy will follow in the new financial year.



## **2.11 Catering - School Meals**

The school meals service was given the news in February/March that Full Council and the Executive Board had made a decision that from the 31st March 2025 Halton Borough Council would no longer be providing a meal provision within schools. This raised alarm bells for the 200+ employees that will be affected by this decision. Meetings took place with the affected workforce, management, unions and HR to relay this news and to try and ease anxiety levels. Subsequently we are feeling the knock-on effect by this decision, as staff are looking for job security and moving to alternative positions in and out of the council.

External catering providers have been in touch with management over the possibility to speak to schools. Management are happy to engage with the providers and the schools leads to make the transition a smooth one.

Another decision by Full Council and the Executive Board to close two day care centres has also had a knock on affect to the school meals service. We currently provide the catering in these facilities and as a direct result of the closures planned for the end of August 2023 a business case has been presented to the HBC Steering group which sees the deletion of two catering supervisor positions.

Due to the uncertainty of the school meals service, we are struggling to retain staff and therefore foresee a recruitment issue moving forward.

## **2.12 Registration Services**

- Certificate stock check for the General Register Office
- Completion of the Annual Performance Report for the General Register Office
- Updating of the Business Continuity Plan
- Celebration Event to Award Halton Registration Service the Award of the Outstanding Contribution Award by the
- Three Registrars completed Level 2 in Information, Advice and Guidance
- Review of Call Centre and HDL Scripts
- Setting of new fees for 2023/24 an 2024/25

## **2.13 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 the remaining accommodation. Works planned to be carried out in 2 phases with an estimated works cost of £2.6m. Planning application submitted. Now looking at options to decarbonise the building as part of the scheme and in respect of this we are intending to submit a bid for additional funding to the governments decarbonisation fund as part of the City region.

### 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. Now looking at options to decarbonise the building as part of the scheme and in respect of this we are intending to submit a bid for additional funding to the governments decarbonisation fund as part of the City region.

### Proposed New Leisure Centre Moor Lane

The contract start date was 9<sup>th</sup> January 2023, works are progressing well the reduced dig is complete, foundations and drainage is currently being installed. Contractual completion date is 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 consists of 13 separate projects with an estimated cost of circa £780k. All projects have now been completed.

### Corporate Maintenance programme 2022/23

The 2022/23 Corporate maintenance programme was approved by the Asset Management Working Group. Many projects have now been completed, a few are rolling over or being deferred to next years' programme, all the available budget has been spent, other than a small amount which is being accrued to next year.

### 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. The purchase of 63 has now been completed so design works to 63/65 will recommence in the new financial year.

### 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. We are expecting the updated study will be provided in early April

### Pickering Pastures- Proposed new pavilion building

The feasibility report has been updated to reflect the increasing costs, the budget estimate for the project is £520k. A report is going to Exec Board at the April meeting to seek approval to proceed with the project.

### Cavendish School - 2 class extension

The project has been tendered and a preferred contractor is waiting to be appointed, Planning approval has now been obtained. Costs are likely to raise due to length of time between tender return and obtaining planning approval, will need to liaise with preferred contractor in due course. Start date has yet to be agreed as awaiting travel plan from school which needs approval.

### 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. Planning approval is expected towards the end of April. Project to be tendered via the Chest in due course.

### 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, these design works are now progressing.

### 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, it is anticipated however that a decision on that will be made prior to the end of May. 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 were originally planned to 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, this is currently out to tender with returns due back in mid-April, following which works will commence on site. The project in Shopping City has stalled however due to the owners not committing to contributing to the funding therefore approval has now been obtained to install the facility in Halton Lea Library as an alternative, design works are progressing with same.

### Unit 10 Refurbishment

Works are progressing, the only outstanding works now are the roller shutter replacement and the upgrading of the fire doors, it is anticipated that these works will not be completed before the end of June due to the long lead times, once complete Tarmac will undertake their own fit out.

### 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. It is anticipated that this will cover 5/6 buildings, but yet to be confirmed.

### Wigg Island- Demolition of former Pavilion

The demolition works are now complete.

### Education maintenance programme 2023/24

The 2023/24 Education maintenance programme was approved by Council In March. The programme consists of 13 separate projects with an estimated cost of circa £780k. All projects have now been completed.

### Corporate Maintenance programme 2023/24

The 2023/24 Corporate maintenance programme has been approved by the Asset Management Working Group. Design works are starting to commence on the various projects in the programme.

### Education SEMH Resource base projects

There are 5 schools where we are looking at upgrading the facilities to create Social, Emotional & Mental Health (SEMH) resource bases for both KS1 & KS2 groups. All projects are currently in the early design stage

## 3.0 Emerging Issues

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

### **3.2 Finance - Benefits Division**

#### **Household Support Fund No. 4**

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, and on 20<sup>th</sup> February 2023 the Government informed Halton that it would receive a grant allocation of £2.6m for 2023/24. The Government have changed the requirements for this allocation, such that part of the funding must be distributed on the basis of an application process. However, the Council can still proactively target particular groups of households.

The following areas have been allocated funding to support vulnerable households and residents of the Borough with the ongoing cost of living crisis:

#### **Discretionary Support Scheme**

In order to meet the requirement to operate part of the scheme on an application basis, £356,000 of the funding has been allocated to the Discretionary Support Scheme, which has an existing telephone application process.

#### **Free School Meal Vouchers**

In order to provide assistance to vulnerable households with children, funding will be allocated to low income families with children, by issuing free school meal vouchers of £12 per week during all of the school holidays. It is estimated that the free school meals vouchers will cost approximately £1,170,000 in total. This will provide approximately 7,500 children with free school meals throughout all of the school holidays over the coming twelve months.

#### **Pensioner Households on Council Tax Reduction**

All pensioners currently receiving council tax reduction (CTR) will be provided with a one-off award of £120. It is estimated that 4,181 pensioner households on CTR will benefit from this award, at a total cost of £501,720.

#### **Public Health and Care Leavers**

£100,000 will be allocated to Public Health who will target support at vulnerable households who may fall outside those areas covered by the rest of the Spending Plan. Public Health will also be targeting support to families who have pre-school age children, and are flagged on the Income Deprivation Index affecting children.

In addition families who have disabled pre-school age children will be targeted for support. It is has been decided to allocate £82,126 to Public Health for this particular project. Children's Services currently have 135 recent care leavers and up to 50 young people in care who will become 18 years old in the next 12 months. It is proposed to assist these two vulnerable groups during the cost of living crisis with the following: energy bill support, household packs to assist with keeping warm, saving energy and cooking, and emergency food and hygiene packs. It is proposed to allocate £82,127 to Children's Services to provide the above mentioned support.

#### **Voluntary Sector Partners**

It has been agreed to ask Voluntary Sector Partners to once again assist the Council with the delivery of Household Support Fund assistance to residents. The allocations made previously for six month periods, to Citizens Advice, Food Banks, and Affordable Warmth etc. have been doubled for the coming year. Each organisation will provide a detailed proposal of how they intend to utilise the funding and throughout the year they will provide the Council with monitoring information for submission to the DWP.

#### **Delivery and Co-ordination**

The Benefits Division will co-ordinate use of the grant on behalf of the Council. A spending plan has been developed which will provide a basis for monitoring spending against the grant and help to ensure full utilisation by 31 March 2024. Quarterly returns have to be submitted to the DWP to demonstrate progress of the distribution of the Household Support Fund.

### **3.3 Revenues and Financial Management Division**

#### VAT Treatment – Leisure Services

On 3 March 2023, HMRC changed the treatment of VAT in respect of leisure services which councils provide to the public. Leisure services are now treated as a non-business activity for VAT purposes and therefore outside the scope of VAT. The Council is working with its VAT advisor, PWC, to submit a claim to HMRC for recovery of output VAT against leisure services over the past four years.

#### 2022/23 Statement of Accounts

Financial Management are currently in the process of drafting the 2022/23 Statement of Accounts for the Council. The deadline for publishing the draft accounts has been brought forward this year to 31 May 2023, two months earlier than for 2021/22. The earlier deadline was confirmed by Government on 31 March 2023, despite having issued a consultation seeking views from councils on the published date. The deadline date for the accounts to be signed off by the Council's External Auditor (Grant Thornton) is 30 September 2023.

### **3.4 Audit, Procurement and Operational Finance Division**

#### Transforming Public Procurement Bill

The Procurement Bill completed its passage through the Committee Stage in the House of Commons in February and will now progress to Report and then Third Reading. The final stage in the Parliamentary process is 'consideration of amendments', when it returns to the House of Lords. Once the Bill achieves Royal Assent, work to finalise the secondary legislation will include a public consultation on the draft regulations. It is anticipated that the "go-live" will not take place until spring 2024 at the very earliest.

As previously reported, at this stage it remains uncertain as to what extent the changes will impact on the Council's procurement arrangements. It is however important to note that the new regulations will only apply to above threshold (i.e. higher value) procurement activity. The majority of the Council's procurement is below threshold and will therefore be unaffected and will continue to be governed by the Council's Procurement Standing Orders. The Government has stated that it will provide at least six months' notice ahead of the new requirements taking effect. This will give public authorities and service providers time to prepare for the changes to the revised public procurement processes.

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

The 2023/24 Local Government sector pay claim for NJC staff (grades HBC1 to HBC11) remains under negotiation at a national level – the claim is 'inflation plus 2%'. This presents significant affordability challenges for the whole sector but reflects the economic backdrop within which the workforce is living, and mirrors the industrial relations climate prevalent in other sectors. Following a national offer of £1925 against every NJC pay point (representing an increase of between 3.88% and 9.24% depending on grade), consultation has taken place between trade unions and their membership, with no agreement being reached. The joint trade unions are now progressing to ballot their membership on industrial action across the country. On that basis, the Operational HR Division will support management across the Council in preparation for managing the impact of strike action.

The 2023/24 pay award for Chief Officers (Divisional Manager grade and above) has been agreed nationally at 3.5%.

A watching brief is being kept on wider employment relations issues across the sector. Teaching staff in some trade unions have taken industrial in response to the pay offer related to pay awards and are set to continue. 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 after each episode of action. To date this has been contained, however any further increase in demand resulting from this will need to be resourced.

Harsh labour market conditions continue and the challenges in the resourcing of many service areas continues. As reported above, work around the re-engineering of the recruitment process, along with the setting up of specific recruitment campaigns for blocks of vacancies.

A campaign specific to Care Home recruitment went live in early January 2023 and has delivered favourable results. Sub-regional economic data continues to demonstrate that paid employment in the Liverpool City Region is at an all-time high. Recruitment and retention of social work staff in Children's Services remains a significant challenge in all Councils across the region. From a Halton perspective, an organisational response to this issue is now being supported by resource from the Transformation Delivery Unit.

Linked to the issue above, the use of agency workers continues to be high. Refer to PPPE LI 05 / 06 in Appendix 2 below for volumes and expenditure against the Council's corporate contract. Where the corporate contract cannot deliver workers, as the agency market is also affected by availability of suitable labour, off-contract arrangements are implemented. These have an associated cost of circa £5m in 2022/23, however year-end analysis of how far this is offset by budgets attributed to vacant posts and grant funding remains in progress at the time of writing. Included within this are some legacy off-contract arrangements in some of the Council's care homes, based on the business arrangements that transferred in. Work is underway to bring those functions into the corporate contract, but this must be done in a measured way so as not to effect a sudden loss of resource. This matter was subject to a specific report to the Corporate Policy & Performance Board in September 2022, which noted that a significant reduction can only occur as the recruitment issues outlined above are resolved. To provide organisational focus on this, reduction of agency worker usage is being supported by resource from the Transformation Delivery Unit.

As reported in Q3, the retained EU law (revocation and reform) Bill was published on 22 September 2022. EU derived law is set to expire on 31 December 2023 unless by then the Government has decided to retain it (it can extend deadline to 31 December 2026), and it remains 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**

Work has started within the department to assess and analyse the new Administration Work stream under the control of the corporate transformation programme. The impact of any change will be reported upon over the coming weeks in order to define a process and timeframe to progress with the project. Reports will be taken to the corporate management Team and reports will be made to the corporate HR Steering Group to define the opportunity ahead.

As previously noted, the ICT work stream is considerable and every effort will be made by the teams to maintain business as usual support to all users as well as deliver the projects ahead, plans will be reported against and as the new projects evolve the outcomes will also be detailed within this report.

In addition to the above technical programme of work the Front Door Transformation programme will also start, again plans are already being prepared with detailed strategies for the development of the customer services environment such as the contact centre systems and the CRM systems that control and operate the customer facing roles, integrated services such as the HBC web sites, and intranet will also be part of the first phase of the programme of work. Detailed definitions of the phases will evolve over the following quarter and will start to be reported against as themes emerge.

### **3.7 Legal and Democracy**

Work is underway to prepare for the local elections on 4 May and the subsequent induction of any new Members. Council will consider the revised Constitution at the Annual Meeting, at which the Mayor and Deputy for the forthcoming year will be installed.

It is expected that pressures on Legal's Education and Social Care team will continue, and recruitment will take place to replace 2 Solicitors who will move on from the team in Quarter 1. Efforts to secure a Taxi Licencing Enforcement Officer will continue.

### **3.8 Community & Environment – Registration Services**

Recruitment issues due to retirement and vacancies with casual staff

### 3.9 Property Services (Operations)

#### Protect Duty

The 'Protect Duty', more commonly known as Martyn's Law is due to come in to force later in the year. The legislation will place a requirement on those responsible for certain publicly accessible buildings, locations and venues to consider the threat from terrorism and to implement appropriate and proportionate mitigation measures. It will mainly focus on the requirement to undertake risk assessments of the various locations following which plans must be put in place in respect of implementing appropriate mitigation measures. The impact of this is that it may likely mean the introduction of measures such as public address voice alarm (PAVA) systems in certain venues where not already installed together with the enhancement of other factors such as street furniture, e.g. bollards, to prevent vehicular access to certain areas.

#### Accommodation review

With the new agile approach to working since the COVID pandemic, i.e. with office based staff only needing to be in the office for a minimum of 40% of the time, subject to service requirements, our main office accommodation is now significantly underutilised which gives us an opportunity to rationalise our office bases. Following on from a report produced in January 2023 in to our accommodation a Members working group has been set up and had a first meeting to start looking at how we can rationalise our main office accommodation to ensure the space is used more effectively in the future and to help generate revenue savings. Future updates will be given as this work progresses.

#### 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, the hope being that these may settle down in the longer 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. We are currently working in conjunction with the NW Zero Carbon Hub with a view to submitting a Combined Authority bid in the autumn of 2023 when the next round of the government's decarbonisation fund opens up. This will likely cover 5 or 6 of our buildings where the boiler plant is nearing the end of its useful life and if successful will allow us to electrify the heat & hot water provision.

## 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 Q4	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> .		Medium term Financial Strategy reported to Executive Board 17 November 2022


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 Q4	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 4 financial outturn reports are being 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 4 monitoring report on the overall budget will go to Executive Board on 15 June 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 Q4	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 the Audit Findings Report was eventually 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 Q4	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 Q4	Supporting Commentary
Establish and report prudential indicators to Council - <b>March 2021</b> .		2023/24 Prudential indicators reported to Council on 08 March 2023
Provide monitoring reports to the Executive Board <b>on a bi-annual basis</b> .		Reported to Executive Board 17 November 2022.

## Key Performance Indicators





Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 4 Position	Current Progress	Direction of Travel	Supporting Commentary
FS LI 01	Receive an unqualified external audit opinion on the accounts	Yes	Awaited	In Progress		N/A	Unqualified external audit opinion on the 2021/22 Statement of Accounts received 01 March 2023.
FS LI 02	Receive an unqualified VFM opinion from the Council's External Auditor	Yes	Awaited	In Progress		N/A	Final VFM opinion expected to be reported to Audit and Governance Board in July 2023.
FS LI 03	Proportion of Council Tax that was due that was collected	94.14 %	94.25%	93.92 %			This is down by 0.23% compared with the same point last year. Impacted by resource being allocated to the energy rebate scheme at the expense of undertaking on-going recovery action during the first half of the year.
FS LI 04	The percentage of Business Rates which should have been received during the year that were received	96.18 %	97.50%	97.93 %			Business rates collection for the final quarter of the year is 97.63%, up by 0.25% on this point last year.
FS LI 05	Average time for processing new claims (Housing Benefit & Council Tax Reduction)	16.22	18	23.71			The Benefits Team has experienced long term staff sickness absence, and maternity leave during 2022/23, and this has had a significant impact on processing performance.



Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 4 Position	Current Progress	Direction of Travel	Supporting Commentary
FS LI 06	Average time for processing notifications of changes in circumstances	4.82	8	9.55			The Benefits Team has experienced long term staff sickness absence, and maternity leave during 2022/23, and this has had a significant impact on processing performance.
FSLI 07	Proportion of all supplier invoices paid within 30 days (including disputed invoices)	92.6%	93.0%	91.13 %			Delays in recruiting to vacant posts have seen invoice payment performance drop slightly when compared to 2021/22.

**Policy, People, Performance & Efficiency Service**



**Key Objectives / milestones**

Ref	Objective
PPPE 01	<b>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 &amp; Development offerings to individual service areas.</b>


Milestone	Progress Q4	Supporting Commentary
Promote and take forward the delivery of actions identified within the Organisational Development Strategy <b>June 2022</b>		All themes have been given attention. The lag in some activity due to restrictions in 2020 and 2021 means that the strategy has been amended in places, and augmented, and will be rolled forward 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. Focus is shifting to Transformation Programme themes.
Embed knowledge and skills gained from Senior Leadership and Management Development Programmes (MBA / MSc) <b>December 2022.</b>		Engagement with acquired learning will contribute to the Council's Transformation Programme.



Milestone	Progress Q4	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 Q4	Supporting Commentary
Establish 10 new apprentice placements within Council services, compliant with the requirements of apprenticeship legislation <b>March 2023.</b>		8 recruited to and sustained, thus target missed – refer to Key Developments for further commentary on a revised approach.
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>		Target met.

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 Q4	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, specifically in Adults and Children's services. This is now a project 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 – issue a is a target project in Transformation Programme.

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 Q4	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. However favourable results evident in Adult Care recruitment. Children's Social care remains an area under development.

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 Q4	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>		Work completed and informing accommodation and asset review considerations.
Conduct evaluation and feasibility work to inform design of new policy and practice in Council workplaces <b>March 2023.</b>		Target missed, however this results from a conscious decision to configure workplace accommodation in an optimum way, then establish an appropriate framework within which to align working practice, contractual amendments around working practice, deployment of appropriate technology, and associated policy.

### Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 4 Position	Current Progress	Direction of Travel	Supporting Commentary
PPPE LI 01	The number of working days / shifts lost due to sickness (Corporate)	12.94 (Days)	9.5 (Days)	12.98 (Days)			Target missed. Outturn consistent with previous year, but considered too high. Reconfiguration of HR services to take place to place more emphasis on wellbeing and proactively managing absence in services.
PPPE LI 02	Percentage of Employees without sickness	68.19	70.00	66.45			See commentary for PPPE LI 01 immediately above
PPPE LI 03	Total Full Time Equivalent Staffing Establishment (Indicator for information only)	3,250	For info purposes Only	3,204	For info purposes Only	For info purposes Only	Reported for information purposes only.
PPPE LI 04	Total Staff (head count) (Indicator for information only)	4,233		4,127			
PPPE LI 05	Total Agency Worker Usage (number of placements – year to date)	919	650	766			Outturn is driven by high usage in Children’s and Adults Services, resulting from labour market conditions, however usage across other areas to cover vacancies is more prevalent than previous years - refer to Key Developments and Emerging Issues above for more detailed information.

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 4 Position	Current Progress	Direction of Travel	Supporting Commentary
PPPE LI 06	Total Agency Worker Cost (cumulative gross cost – year to date)	£8.3m	£5.0m	£8.34 m			See commentary for PPPE LI 05 immediately above
PPPE LI 07	Number of apprenticeship placements established in the Council. (Cumulative – year to date)	2	10	8			Target missed. Mitigating measures in place from 1 April 2023 - refer to Key developments for further information.
PPPE LI 08	% of training delegates attending as proportion of places reserved:	100	95	96			Target met. Further narrative available in Key developments section above.
	Face to face	95	95	99			
	Virtual						
PPPE L109	The percentage of top 5% of earners that are:						Slight downward movement on component indicator (a), which stood at 62.42% at same point last year. Fluctuation exists in (b) and (c), due to turnover. Recruitment in top 5% of earners is not high volume, and as such scope for change is low.
	a) Women	64.2%	55%	61.4%			
	b) From BME communities	2.67%	2.0%	2.7%			
	c) With a disability	1.25%	8.0%	0%			
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 %	1.29%			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%	1.31%			Shows improvement however fluctuation exists due to turnover and outturn tends to hover around target level. As indicated in figures provided.

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 4 Position	Current Progress	Direction of Travel	Supporting Commentary
PPPE LI 12	Average time to recruit (Applicant Tracking System reported figure)	19 Days	15 Days	35.3 Days			Outturn demonstrates the number of days taken from vacancy closing date to completion of recruitment. Given the increase in demand for recruitment throughout the year, meeting the target was always set to be a significant challenge. For more information refer to narrative in graphics in Key Developments.







**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 Q4	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 Microsoft solutions are also under test with options for deployment linked to the Hybrid Cloud approach the authority will be taking
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 compliance with NCSC regulations and corporate and client needs remain a focus – £150'000 funding gained.





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 Q4	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 Q4	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 4 Position	Current Progress	Direction of Travel	Supporting Commentary
ICT LI 01	Average availability of the Council's operational servers (%).	99.98	99.00	99.040			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/Weekends.
ICT LI 02	Average availability of the Councils WAN infrastructure (%).	99.97	99.00	99.67			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 in its continual development.

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 4 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.
	Priority 1	100	85.00	100			
	Priority 2	100	90.00	100			
	Priority 3	100	95.00	100			
	Priority 4	100	95.00	100			
ICT LI 04	Average working days from delivery to completion of a new PC.	5 (Days)	5 (Days)	2			New procedures are in place, with the advent of a full VDi based workforce all desktop's can be replaced the same day – a process is in place for home workers to drop off and collect a new device again a same day service.



### Legal & Democracy

#### Key Objectives / milestones











Ref	Objective
LD 01	<b>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.</b>

Milestone	Progress Q4	Supporting Commentary
Review constitution - <b>May 2021.</b>		The revised constitution was approved at Annual Council.

Ref	Objective
LD 02	<b>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.</b>

Milestone	Progress Q4	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 meeting.
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 4 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%)	53 (98%)			All Members are offered a hybrid development programme via in-house officer training and e-Learning via the L&D Portal. It is a matter of personal choice for Members and take up has been very high.
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 Q4	Supporting Commentary
Deliver a promotion and educational campaign <b>March 2023.</b>		We are no longer exploring this option due to cessation of service.

### Key Performance Indicators

Ref	Description	Actual 2021 / 22	Target 2022 / 23	Quarter 4 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%	71.14 %			Off target
CE LI 02	% Take up of free school meals to those who are eligible - Secondary Schools.	56.29 %	60%	64.33 %			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%	58.19 %			Off target
CE LI 04	Take up of school lunches (%) – secondary schools.	50.10 %	50%	57.18 %			On target







## Property Services

### Key Objectives / milestones

Ref	Objective
EEP 03	Corporate

Milestone	Progress Q4	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 in October 2022, site mobilisation was carried out in December and the formal start on site was 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 but we are now looking to decarbonise the buildings and are applying for additional funding.
Deliver agreed programmed maintenance programme to Corporate Buildings by <b>31<sup>st</sup> March 2023</b> .		Budget fully committed, agreed works completed.
Deliver agreed programmed maintenance programme to schools by <b>31<sup>st</sup> March 2023</b> .		All agreed projects now complete.
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 4 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 £643,046			A shortfall of income was projected to exclude the income from the lease of no 29 –31 Moor Lane Widnes. The shortfall has been improved by the completion of rent review at lease at Venture Fields 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 6 vacant properties which will be on the market or vacant until negotiations are concluded
EEP LI 05	Occupancy of Widnes Market Hall.	95%	96%	85%			In the past 12 months we have had a number of traders leave and others downsize, resulting in 18 more vacant units than 12 months ago. The reason being the very difficult trading conditions currently being faced. The introduction of parking charges to the main car park area has also impacted on the situation.



## 7.0 Financial Statements

### FINANCE DEPARTMENT

#### Revenue Budget as at 31<sup>st</sup> March 2023

	Annual Budget	Actual	Variance (Overspend)
	£'000	£'000	£'000
<b>Expenditure</b>			
Employees	6,000	5,798	202
Premises	0	14	(14)
Insurances	894	982	(88)
Supplies & Services	315	353	(38)
Rent Allowances	31,198	31,198	0
Non HRA Rent Rebates	70	65	5
Discretionary Social Fund	191	201	(10)
Discretionary Social Fund Household Support	2,373	2,373	0
Discretionary Housing Payments	300	288	12
Covid Isolation Expenditure	0	-9	9
Concessionary Travel	1,898	1,587	311
LCR Levy	2,241	2,241	0
Transfer to Reserves	262	245	17
Bad Debt Provision	77	86	(9)
<b>Total Expenditure</b>	<b>45,819</b>	<b>45,422</b>	<b>397</b>
<b>Income</b>			
Clerical Error Recovery	-400	-142	(258)
Rent Allowances	-30,598	-30,355	(243)
Other Fees & Charges	-264	-399	135
Non HRA Rent Rebate	-70	-96	26
Burdens Grant	-60	-308	248
Dedicated schools Grant	-111	-111	0
Discretionary Housing Payment Grant	-300	-279	(21)
Housing Benefits Admin Grant	-515	-515	0
Universal Credits	-5	-5	0
Council Tax Admin Grant	-204	-211	7
Household Support Fund Grant	-2,373	-2,363	(10)
Council Tax Liability Order	-501	-482	(19)
Business Rates Admin Grant	-155	-155	0
VEP Grant	-9	-9	0
Council Tax Rebate Scheme Admin Grant	0	-79	79
Covid Isolation Grant Income	0	36	(36)
Energy Bills Support Scheme	-330	-330	0
Family Annexe Council Tax Discount	0	-2	2
Alternative Fuel Payment Fund	0	-42	42
Schools SLAs	-278	-282	4
LCR Reimbursement	-2,241	-2,241	0
Reimbursements & Other Grants	-111	-135	24
CCG McMillan Reimbursement	-82	-85	3
Transfer from Reserves	-133	-238	105
<b>Total Income</b>	<b>-38,740</b>	<b>-38,828</b>	<b>88</b>
<b>Net Operational Expenditure</b>	<b>7,079</b>	<b>6,594</b>	<b>485</b>
<b>Recharges</b>			
Premises Support	227	227	0
Central Support Services	2,518	2,518	0
HBC Support Costs Income	-5,753	-5,753	0
<b>Net Total Recharges</b>	<b>-3,008</b>	<b>-3,008</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>4,071</b>	<b>3,586</b>	<b>485</b>

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

The net department spend for 2022/23 is £0.485m below the approved budget for the year. Expenditure levels have been less than budgeted which have mitigated the underachievement in the income targets for the year.

With the additional funding from the pay award, and a number of vacancies within the department, Finance have been able to achieve their staffing turnover savings targets as well as seeing an underspend of £0.202m against the employee budget for the year. This has been achieved through a number of vacancies and making use of external funding to fund employees traditionally funded from base.

Concessionary travel costs for the year are £0.311m below the approved budget. Covid has significantly affected concessionary travel usage, despite central government intervention to try to promote and fund elements of public transport. Passenger levels are still not at the levels they used to be and the trend seems set to continue – there are plans within 2023/24 to begin reducing the level of support provided to bus operators given they continue to be paid at pre Covid patronage. The budget has been reduced going forwards as the Council are expecting costs to remain lower than pre Covid levels.

Rent Allowance Income is showing a significant shortfall of £0.501m (including Clerical Error Recovery) 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.

There were a number of New Burdens grants received at the back end of the financial year with a value of approximately £0.210m. These were received from grant to compensate for additional work having to be undertaken by the department during the year covering council tax grant schemes and business rate relief schemes.

**POLICY, PEOPLE, PERFORMANCE & EFFICIENCY DEPARTMENT****Revenue Budget as at 31<sup>st</sup> March 2023**

	<b>Annual Budget</b>	<b>Actual</b>	<b>Variance (Overspend)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>			
Employees	2,147	2,116	31
Employee Training	123	188	(65)
Apprenticeship Levy	300	322	(22)
Supplies & Services	144	193	(49)
Agency	11	3	8
Other Expenditure	0	1	(1)
Contribution to Reserves	87	87	0
<b>Total Expenditure</b>	<b>2,812</b>	<b>2,910</b>	<b>(98)</b>
<b>Income</b>			
Fees & Charges	-132	-140	8
Reimbursements & Other Grants	0	-6	6
Schools SLA	-448	-452	4
Transfer from Reserves	-70	-70	0
<b>Total Income</b>	<b>-650</b>	<b>-668</b>	<b>18</b>
<b>Net Operational Expenditure</b>	<b>2,162</b>	<b>2,242</b>	<b>(80)</b>
<b>Recharges</b>			
Premises Support	72	72	0
Central Support	1,037	1,037	0
Recharge Income	-3,252	-3,252	0
<b>Net Total Recharges</b>	<b>-2,143</b>	<b>-2,143</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>19</b>	<b>99</b>	<b>(80)</b>

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

At the close of the year, Policy, Performance, People and Efficiency net spend is over the approved budget by £0.080m.

Training costs are £0.065m higher than budgeted due to increased demand on the service over the course of the year

Supplies and services costs have been higher than forecast due to the reliance of consultants and legal professionals when dealing with complex tribunal cases. The main computer licence cost sitting within department is Trent, the software does not have the desired functionality so alternatives are being looked into, this might be an area of budget pressure going forwards as the department would need to operate the new system in tandem with Trent before fully switching.

Income targets were at achievable levels and overall actual levels were slightly above what was originally set.

**ICT & ADMINISTRATION****Revenue Budget as at 31st March 2023**

	<b>Annual Budget</b>	<b>Actual</b>	<b>Variance (Overspend)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>			
Employee Expenditure	7,773	7,803	(30)
Supplies & Services Expenditure	1,012	769	243
Capital Finance	78	52	26
Computer Repairs & Software	1,149	1,122	27
Communication Costs	122	122	0
Premises Expenditure	99	141	(42)
Transport Expenditure	3	2	1
Transfer to Reserves	121	150	(29)
Other Expenditure	0	8	(8)
<b>Total Expenditure</b>	<b>10,357</b>	<b>10,169</b>	<b>188</b>
<b>Income</b>			
Fees & Charges	-624	-1,008	384
Schools SLA Income	-565	-526	(39)
Reimbursements & Other Grant Income	-106	-106	0
Transfer From Reserves	-485	-485	0
<b>Total Income</b>	<b>-1,780</b>	<b>-2,125</b>	<b>345</b>
<b>Net Operational Expenditure</b>	<b>8,577</b>	<b>8,044</b>	<b>533</b>
<b>Recharges</b>			
Premises Support	389	389	0
Transport	19	23	(4)
Central Support Services	1,593	1,593	0
HBC Asset Rental Support Costs	748	748	0
HBC Support Costs Income	-13,112	-13,115	3
<b>Net Total Recharges</b>	<b>-10,363</b>	<b>-10,362</b>	<b>(1)</b>
<b>Net Departmental Expenditure</b>	<b>-1,786</b>	<b>-2,318</b>	<b>532</b>

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

The department's financial position for the year shows net income as being £0.532m higher than budgeted.

The over achievement of income against Fees and Charges relates to external client income for traded services. This is for Agresso implementation and support at partner sites, the additional income is the main reason the department has performed well at outturn.

Against budgeted employee expenditure there are staff turnover saving targets in the region of £0.843m, this high target has largely been realised due to the number of vacancies and high turnover with Admin Services

Supplies and services budgets within the admin division are based on historical spend pre pandemic as this is best indication of projected spend now. Spend for the year is £0.243m below budgeted levels, due to reduced spending across the Council on printing, office equipment and general computer expenditure.

Premises costs are overspent at year end due to the well-publicised increases in gas and electricity prices.

### **Capital Projects as at 31<sup>st</sup> March 2023**

Project Title	2022/23 (Outturn)		
	2022/23 Capital Allocation £'000	Actual £'000	Total Allocation Remaining £'000
IT Rolling Programme	700	493	207
<b>Totals</b>	<b>700</b>	<b>493</b>	<b>207</b>

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

ICT is looking to move to more service based costs with the shift to 365, we're likely to see less capital spend going forwards so it might be able to be redirected to other areas provided the reduction carries on into next year.

**LEGAL & DEMOCRATIC SERVICES DEPARTMENT****Revenue Budget as at 31<sup>st</sup> March 2023**

	<b>Annual Budget</b>	<b>Actual</b>	<b>Variance (Overspend)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>			
Employees	1,913	1,814	99
Premises Related Expenditure	0	0	0
Supplies & Services	322	264	58
Civic Catering & Functions	39	20	19
Legal Expenses	218	419	(201)
Legal Expenses Locums	0	473	(473)
Transport Related Expenditure	10	12	(2)
Capital Financing	0	19	(19)
<b>Total Expenditure</b>	<b>2,502</b>	<b>3,021</b>	<b>(519)</b>
<b>Income</b>			
Land Charges	-84	-66	(18)
School SLA's	-85	-82	(3)
Licence Income	-263	-293	30
Government Grant	0	-32	32
Reimbursement & Other Grants	0	-10	10
Fees & Charges Income	-65	-126	61
Transfer from Reserves	-17	-420	403
<b>Total Income</b>	<b>-514</b>	<b>-1,029</b>	<b>515</b>
<b>Net Operational Expenditure</b>	<b>1,988</b>	<b>1,992</b>	<b>(4)</b>
<b>Recharges</b>			
Premises Support	58	58	0
Central Support Recharges	351	351	0
Asset Rental Support Costs	-1,895	-1,895	0
<b>Net Total Recharges</b>	<b>-1,486</b>	<b>-1,486</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>502</b>	<b>506</b>	<b>(4)</b>

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

In overall terms net spending is £0.004m above the approved budget for the year.

Employee expenditure is considerably underspent due to a number of vacancies within the department. However, due to high caseloads the department are required to rely heavily on agency costs to maintain service levels. This has been a significant cost of £0.473m to the council which has been funded from reserves. Graduate schemes are coming in place in 2023/24 and can hopefully provide support for less complex cases and reduce the workload, dropping reliance on agency staff for more straightforward tasks like attending court hearings.

Fees and charges income within the Legal Department is heavily reliant on the number of applications received so it is difficult to forecast. The financial structure will be shifting in 2023/24 to monitor each income stream more closely so the department can more readily identify areas which are requiring more support and help to record the cost correctly.

Legal expenses is currently £0.201m over the approved budget, 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.



**COMMUNITY & ENVIRONMENT****Revenue Budget as at 31 March 2023**

	<b>Annual Budget £'000</b>	<b>Actual £'000</b>	<b>Variance (Overspend) £'000</b>
<b>Expenditure</b>			
Employees	15,756	14,936	820
Premises	2,544	2,841	(297)
Supplies & Services	1,488	1,655	(167)
Hired & Contracted Services	453	475	(22)
Book Fund	147	142	5
Food Provisions	354	371	(17)
School Meals Food	1,872	2,069	(197)
Miscellaneous Transport Costs	115	133	(18)
Other Agency Costs	209	204	5
Other Expenditure	0	15	(15)
Waste Disposal Contracts	6,538	6,438	100
Grants to Voluntary Organisations	57	16	41
Grant to Norton Priory	172	173	(1)
Rolling Projects	0	20	(20)
Capital Financing	1,077	1,094	(17)
<b>Total Expenditure</b>	<b>30,782</b>	<b>30,582</b>	<b>200</b>
<b>Income</b>			
Sales Income	-1,196	-1,199	3
School Meals Sales	-2,730	-2,739	9
Fees & Charges Income	-5,351	-5,299	(52)
Rental Income	-209	-171	(38)
Government Grant Income	-359	-363	4
Reimbursements & Other Grant Income	-792	-818	26
SLA Income	-2,227	-1,785	(442)
Catering Fees	-88	-108	20
Internal Fees Income	-227	-289	62
Capital Salaries	-106	-75	(31)
Transfers From Reserves	-1,221	-1,314	93
<b>Total Income</b>	<b>-14,506</b>	<b>-14,160</b>	<b>(346)</b>
<b>Net Operational Expenditure</b>	<b>16,276</b>	<b>16,422</b>	<b>(146)</b>
<b>Recharges</b>			
Premises Support	1,496	1,496	0
Transport Support	2,325	2,433	(108)
Central Support	4,449	4,449	0
Asset Rental Support	3,519	3,519	0
Support Costs Income	-511	-511	0
<b>Net Total Recharges</b>	<b>11,278</b>	<b>11,386</b>	<b>(108)</b>
<b>Net Departmental Expenditure</b>	<b>27,554</b>	<b>27,808</b>	<b>(254)</b>

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

The net department spend is £0.254m over the approved budget for the year.

This differs greatly from the forecast underspend position of £0.346m estimated at the end of Q3. The difference is predominantly to do with income estimates and further information is provided within the report.

Employee spend is £0.820m below the budget due to the number of vacancies within the department resulting from delays and difficulty in recruitment. This reflects vacancies within School Meals, Leisure and Stadium Services.

Premises costs are £0.297m over budget at the end of the year. Costs for utilities across all sites but in particular for Leisure services and Crematorium are overspent due to the increased cost of electricity and gas.

Spend on Supplies and Services is £0.167m over budget. This includes Crematorium spend for the decommissioning of the temporary cremator plus equipment costs.

Food Provisions, especially School Meals food is overspent by £0.197m due to the increasing inflationary food costs from suppliers.

Invoices relating to 2021/22 waste disposal contracts were received in Q3 2022/23 and were much lower than had been forecast in finalising the 2021/22 accounts. Charges for 2022/23 waste disposal contracts are calculated based on the average cost per tonne in the previous year. Therefore, the total outturn is £0.1m below the approved budget.

School Meals SLA income has underachieved by £0.442m, although mitigated by vacancies against budget for the service.

Transport recharges outturn overspend for 2022/23 is £0.108m due to fuel and other cost increases.

### **Capital Projects as at 31 March 2023**

<b>Project Title</b>	<b>2022/23 Capital Allocation £'000</b>	<b>Actual £'000</b>	<b>Total Allocation Remaining £'000</b>
Stadium Minor Works	37	16	21
Stadium decarbonisation scheme	0	145	(145)
Brookvale Pitch Refurbishment	70	42	28
Halton Leisure Centre	3,296	3,239	57
Children's Playground Equipment	80	40	40
Landfill Tax Credit Schemes	340	0	340
Upton Improvements	13	0	13
Crow Wood Park Play Area	39	27	12
Crow Wood Park Pavillion	0	1	(1)
Open Spaces Schemes	450	170	280
Runcorn Town Park	256	282	(26)
Widnes Crem, Replacement Cremator	200	242	(42)
Spike Island / Wigg Island	60	1	59
Litter Bins	20	20	0
<b>TOTAL</b>	<b>4,861</b>	<b>4,225</b>	<b>636</b>

## **Comments on the above figures**

### **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 paid in April 2023 over and above the approved budget.

### **Brookvale Pitch Refurbishment**

The scheme is now complete but awaiting retentions invoice of approx £0.032m for the practical completion. There is a slight overspend due to additional fence panel/gate request works.

### **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 was 09/01/23 for a 108 week build. Spend to date includes all works associated with the PCSDA and CPO etc.

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

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

### **Landfill Tax Credits Schemes**

Currently used to support improvements for a rolling programme of existing playgrounds and Open Space Schemes across the Borough. There were no projects identified in 2022/23.

### **Upton Improvements**

Open space improvement works undertaken. Work has been delayed due to contractor workload and difficulty obtaining materials. No revised date set yet for when this may be spent.

### **Crow Wood Park & Pavilion**

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.

### **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 resource issues.

### **Runcorn Town Park**

Project to renew park infrastructure. Project is ongoing with the next phase carried over to financial year 23/24. Some carry forward will be needed to complete work in season and for contingency payments plus some small sums for retention payments from previous phases. Anticipated further successful bids to the INEOS EfW fund for future phases.

### **Widnes Crematorium replacement Cremator**

Contract works on the new cremator are complete. The over spend is as a result of the original budget of £0.200m 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 our financial requirements quote was an additional £0.031m. A further £0.010m overspend is as a result of repairs required to unforeseen damage to the original building slab under the old cremator when it was removed.

### **Spike Island / Wigg 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**

**Revenue Operational Budget as at 31 March 2023**

	<b>Annual Budget</b>	<b>Actual</b>	<b>Variance (Overspend)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>			
Employee Related Expenditure	5,605	5,460	145
Repairs & Maintenance	2,211	2,285	(74)
Premises	92	102	(10)
Energy & Water Costs	1,059	1,059	0
NNDR	549	664	(115)
Rents	192	161	31
Economic Regeneration Activities	17	0	17
Security	486	548	(62)
Supplies & Services	822	621	201
Supplies & Services - Grant	740	740	0
Grants to Voluntary Organisations	162	162	0
Capital Finance	30	30	0
Transfer to Reserves	1,007	1,007	0
<b>Total Expenditure</b>	<b>12,972</b>	<b>12,839</b>	<b>133</b>
<b>Income</b>			
Fees & Charges Income	-906	-913	7
Rent - Commercial Properties	-801	-785	(16)
Rent - Investment Properties	-44	-44	0
Rent - Markets	-793	-766	(27)
Government Grant	-1,042	-1,042	0
Reimbursements & Other Grant Income	-1,612	-1,615	3
Schools SLA Income	-384	-362	(22)
Recharges to Capital	-153	-149	(4)
Transfer from Reserves	-2,248	-2,248	0
<b>Total Income</b>	<b>-7,983</b>	<b>-7,924</b>	<b>(59)</b>
<b>Net Operational Expenditure</b>	<b>4,989</b>	<b>4,915</b>	<b>74</b>
<b>Recharges</b>			
Premises Support	1,474	1,474	0
Transport Support	27	28	0
Central Support	2,082	2,082	0
Asset Rental Support	1,399	1,399	0
Recharge Income	-6,258	-6,258	0
<b>Net Total Recharges</b>	<b>-1,276</b>	<b>-1,275</b>	<b>0</b>
<b>Net Departmental Expenditure</b>	<b>3,713</b>	<b>3,640</b>	<b>74</b>

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

As at 31 March 2023 net expenditure for the department was £0.074m below the approved budget for the year. An improvement on the forecast overspend position of £0.164m estimated at the end of December 2022.

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.

Financial Management continue to work closely with the Department and remain focused on achieving a balanced budget at year end. By carefully monitoring the accounts, the department has utilised grant, external funding and capital funding where possible to try and relieve the pressure on the core budget.

Across the Investment & Development Division several posts remained vacant in year due to a restructure that has taken place. Temporary measures have been taken where it has been possible to find the appropriate skill set required. The delay in recruitment of staff has improved the Employee budget position this quarter. The 2022/23 pay award was agreed in October and budgets updated accordingly.

The impact of increased energy and fuel costs continued to be monitored during the year. £0.156m was required from Council Reserves to fund the additional costs above budget. Latest forecasts show a further increase of 75% in gas costs and 52% electricity costs for 23/24 which have been allowed for in the approved budget.

Challenging income targets are particularly damaging to the Department, as unlike some other sectors the Council do not have the ability to passport additional costs pressure onto tenants as contracts are in place for a number of years and rent reviews can only take place when a review is due.

The Asset Management Service has incurred one off expenses this year, due to the vacant unit at The Hive that was previously occupied by Frankie & Benny's. Costs relating to NNDR, repairs and maintenance and service charges have had to be paid by HBC until the unit is leased. Negotiations are currently taking place with a new tenant.

Adult Learning Division has contributed £0.131m as match funding towards the Ways to Work Programme this financial year creating an employment programme to date of £6m.

Due to adverse trading conditions in the retail sector which have been worsened by inflation and increased utilities costs, the department under achieved on market rental income targets this budget year. During the last few months, the occupancy rate has dropped to 88%. This may be linked to the introduction of customers having to pay for parking outside the market.

The School Cleaning Service Level Agreement (SLA) did not cover 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.

The savings put forward to provide additional office space for external agencies at Rutland House was not 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.

## ECONOMY ENTERPRISE & PROPERTY DEPARTMENT

### Capital Projects as of 31 March 2023

Project Title	2022/23 Capital Allocation £'000	Actual £'000	Total Allocation Remaining £'000
3MG	164	25	139
Murdishaw	31	1	30
Equality Act Improvement Works	200	247	(47)
Widnes Market Refurbishment	6	6	0
Broseley House	21	12	9
Solar Farm Extension	11	3	8
Foundry Lane Residential Area	2,117	3,569	(1,452)
Kingsway Learning Centre Improved Facilities	36	0	36
Halton Lea TCF	388	353	35
Property Improvements	213	189	24
Astmoor Regeneration	14	14	0
Woodend Unit 10 Catalyst Industrial Estate	500	518	(18)
Runcorn Station Building Development	110	60	50
St Paul Mews	500	515	(15)
Waterloo Building	0	7	(7)
UK Shared Prosperity Fund	45	28	17
Runcorn Town Centre Redevelopment	3,239	1,451	1,788
<b>Totals</b>	<b>7,595</b>	<b>6,998</b>	<b>597</b>

**3MG** – 3MG produced one major capital receipt in the form of the disposal of Linner Cottage in 2022 / 2023 however the anticipated disposal of HBC Field was delayed into 2023 / 2024 due to a boundary change with the land being disposed of. This means there will be a reduction in the size of plot disposed of, but the capital receipt will remain the same. The sale will complete in the first quarter of 2023 / 2024.

HBC was in negotiations to dispose of a plot of land in the north of the site but that petered out due to Central Government funding requirements and there are a small number of remaining plots that will form a portfolio of sites to be disposed of in 2023 / 2024.

**Murdishaw** – The Council have worked in partnership with Onward Homes to develop a community scheme which includes the establishment of a new CIC who will run a new venture from the former boxing club. A scheme of environmental improvements has been initiated across the estate with some signage improvements completed. Key priorities for the scheme include improvements to the external space at Murdishaw Community Centre and improvements to the Gorsewood area and external area adjacent to the former boxing club.

**Equality Act** - There are a number of access type schemes using the equality act budget this year. At quarter 3 it was anticipated that the budget would underspend and £0.100m was moved forward to 23/24.

**Widnes Market Refurbishment** – All Capital works are now complete, and all retentions paid.

**Broseley House** - All works are complete on site and invoices fully paid.

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

**Foundry Lane** – Project progressing on schedule with all ground remediation works now complete. Due to pre grant expenditure and additional costs for the land swap with Beesley & Fildes, it was agreed by Executive Board that the programme will be increased by £1.7m. This increase was placed in the Capital Programme for 23/24 and will need to be brought forward to 22/23.

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

**Halton TCF** – This LCR funded programme is now complete.

**Property Improvements**- There are a number of projects against this scheme including re-roofing the Fitness Suite at the Stadium, lift replacement at Kingsway Learning Centre, and re-roofing 73 High Street.

**Astmoor Regeneration** – Project is now complete.

**Woodend Unit 10 Catalyst Trade Park** - Works nearing completion, anticipated completion by end of May, following which tenants can commence their fit-out.

**St Paul Mews** - Awaiting final tenant to be re-located, following which demolition of buildings will take place following a tender exercise.

**Waterloo Building** - Awaiting decision from Planning in respect of demolition, subject to approval being granted demolition will follow after a tender exercise.




**Shared Prosperity Fund** – Halton submitted an Investment Plan to the CA for three strands of its UK Shared Prosperity Fund (UKSPF) programme – Town Centres; Local Culture, Arts and Heritage; Green, Resilient, Safe Communities. This amounts to £0.608m up to March 2025 and is a mix of capital and revenue.

**Runcorn Town Centre Redevelopment** – The Town Deal programme covers a number of projects to strengthen the town centre economy, including Brindley Theatre Enhancement, Creative and Digital Skills Centre, Health and Education Hub, High Street Connectivity, Town Centre New Homes, Station Enterprise Facility, and Unlock Runcorn. Business cases for all projects have been submitted and approved. Work will continue on site for the next 3 years.




## 8.0 Application of Symbols

Symbols are used in the following manner:

### Progress Symbols

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

### Direction of Travel Indicator

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