TRAFFORD COUNCIL

Report to: **Audit and Accounts Committee**
Date: **24th November 2022**
Report for: **Decision**
Report of: **The Executive Member for Finance and Governance and the Director of Finance and Systems**

Report Title:

Corporate Plan Performance and Budget Monitoring 2022/23 Period 6 (April to September 2022)

Summary:

The purpose of this report is to inform Members of the 2022/23 summary forecast outturn figures relating to both Revenue and Capital budgets. It also summarises the latest forecast position for Council Tax and Business Rates within the Collection Fund.

This report also provides a summary of performance against the Council's Corporate Plan, the period 1 April to 30 September 2022.

Recommendation(s)

It is recommended that the Executive:

a) note the updated summary positions on the revenue budget, collection fund, capital programme and Prudential Indictors.
b) Approve a virement within the Capital Programme of £220k held under the hybrid working scheme within Place Directorate to the Office 365 programme within Finance and Systems.
c) Note that the Prudential Code now requires that the Council report and monitor Prudential Indicators on at least a quarterly basis during the financial year and will be reported in this bi-monthly monitoring report going forward.
d) Note the contents of the Corporate Plan Performance for Quarter 1 and 2.

Contact person for access to background papers and further information:

David Muggeridge, Head of Financial Management Extension: 4534
Dianne Geary/Sarah Haugeberg Extension: 1821

Background Papers: None

Relationship to Policy Framework/Corporate Priorities	Value for Money The Corporate Plan 2022/23 report summarises the Council's performance in relation to the Council's Corporate Priorities
Relationship to GM Policy or Strategy Framework	The Corporate Plan is aligned to the GM policy and strategy where required.
Financial	Revenue and capital expenditure to be contained within available resources in 2022/23. It is the responsibility of the Executive to operate within the budgetary framework set by the Council when it agreed the budget for 2022/23 at the Council Meeting on 16 February 2022. At this stage in the year it is necessary to alert Members that a further report may need to be presented to the Council to revise the 2022/23 budget envelope. This would be in the event that mitigations in the form of additional government funding and in-year savings are insufficient to cover any remaining in-year pressures, predominantly caused by the impact of inflation.
Legal Implications:	Legal advice is provided in relation to the Corporate Plan 2022/23 as and when required
Equality/Diversity Implications	The Corporate Plan enables the Council to fully observe & promote equality of outcomes for service users and their families.
Sustainability Implications	None arising out of this report
Resource Implications e.g. Staffing / ICT / Assets	Not applicable
Risk Management Implications	A risk management log has been developed as part of the overall governance for the Corporate Plan and this will be reviewed and updated on a regular basis.
Carbon Reduction	The Corporate Plan is a key driver to supporting carbon reduction, delivering the Council's Carbon Neutral Action Plan and supporting the growth of the green economy
Health & Wellbeing Implications	Not applicable
Health and Safety Implications	Not applicable

SECTION 1 - EXECUTIVE SUMMARY

1. The approved budget for 2022/23 agreed at the 16 February 2022 Council meeting was £192.57m. In determining the budget an overall gap of £20.14m was addressed by a combination of additional resources of £3.39m from Council Tax, use of reserves, £7.10m to address COVID-19 pressures and £4.33m for business as usual pressures, and £5.32m of service savings and additional income.

2. Summary of outturn

2.1 **There *is a net estimated outturn pressure of £6.06m at Period 6, an improvement of £0.85m since Period 4. Note this position includes:-***

- the current performance against the approved budget which is a projected overspend of £561k (See Table 1 below)
- the impact of inflation, which is significantly higher than the provisions included in our approved budget and which are currently estimated to cost an additional £5.5m in 2022/23. This is an improvement of £0.5m since period 4 position and is now more reliable given that the 2022/23 pay award has been finalised and energy prices over the short term have been determined. Government have given strong indications that local authorities will need to manage the impact of this themselves and that no government support will be available, which means this will affect the delivery of other Council services. (see paragraphs 3 and 4 below)

2.2 This mid-year monitor of the financial year provides some certainty of the potential final outturn and has been used as a broad direction of travel for the current year as well as preparing the Draft Budget for 2023/24. However given the fragility and volatility in the wider economy, estimates could vary over the remaining six months of the year.

2.3 Although the estimated outturn is adverse, it should be noted that there are a number of assumptions and factors which have the potential to positively affect the figure. For instance there are contingency items within demand led services with £400k and £438k in Children's and Adults Services, £590k in the corporate budget contingency and in addition savings should result from management action, particularly surrounding the tightening of the vacancy management process.

2.4 Detailed below in Table 1 is a summary breakdown of the service and funding variances against budget, with Appendix 2 providing an explanation of the variances.

Table 1: Budget Monitoring results by Service	2022/23 Budget (£000's)	Forecast Outturn (£000's)	Forecast Variance (£000's)	Percent-age
Children's Services	44,052	46,029	1,977	4.49%
Adult Services	56,922	56,931	9	0.00%
Public Health	12,887	12,886	(1)	(0.00)%
Place	30,993	33,202	2,209	7.13%
Strategy & Resources	8,842	8,446	(396)	(4.48)%
Finance & Systems	8,164	8,243	79	0.97%
Governance & Community Strategy	2,635	3,042	407	15.45%
Total Directorate Budgets (*)	**164,495**	**168,779**	**4,284**	2.60%
Council-wide budgets	28,077	24,354	(3,723)	(13.26)%
Net Service Expenditure variance	**192,572**	**193,133**	**561**	0.29%
Funding				
Business Rates	(68,540)	(68,540)	0	
Council Tax	(112,601)	(112,601)	0	
Reserves Budget Support	(4,334)	(4,334)	0	
Reserves to Support COVID-19	(7,097)	(7,097)	0	
Funding variance	**(192,572)**	**(192,572)**	**0**	**0.00%**
Net Revenue Outturn variance	**0**	**561**	**561**	**0.29%**
Dedicated Schools Grant	**157,130**	**157,865**	**735**	**0.47%**

* Any change to the revenue budget by Directorate is shown in the details of virements in Appendix 1.

The following issues are worthy of being highlighted at Period 6:-

- **Children's placements** £460k overspend an adverse movement of £110k in the period largely due to new placements being made and the release of the contingency budget not sufficient to cover these costs. A contingency budget of £400k has been included for the remainder of the year.
- **Home to School Transport** pressures have increased in the period by £167k to £1.147m due to the continued increase in demand in passenger numbers, additional costs for fuel and complexity of cases. This area is being scrutinised through the Finance and Change Programme with support from the Business Intelligence and the Trafford Travel Co-ordination Units in order to reduce the overspend.
- **Adults placements** continues to largely breakeven (£41k underspend), however assumptions on demand remain uncertain; a contingency balance of £438k has been included for future demand.

- **Adults Hospital Discharge Programme** – In October 2022 the Government set out the government's 'Our Plan for Patients' to improve access to the NHS and social care, this winter and next. To help people get out of hospitals and into social care support, the government launched a £500 million Adult Social Care Discharge Fund. The full details of the scheme have yet to be announced, however it has the potential to benefit the in-year position.
- **Strategic Investment Programme** – The Strategic Investment Property Portfolio is expected to deliver a net benefit to the revenue budget in 2022/23 of £5.32m. This is £1.91m lower (£352k adverse movement from Period 4) than budget due to economic factors affecting some of the income particularly from the town centre investments. Work continues in identifying a positive pipeline of investment opportunities, although pressures in the wider financial climate have caused a delay in potential schemes. Work will continue in order to identify further investments which will provide a revenue return as part of the Asset Investment Strategy's recycling target.
- **Impact of COVID-19** – There continues to be nothing to suggest that the impact of the pandemic is having any adverse pressure on income from Sales, Fees and Charges at this stage of the year, which cannot be managed within service budgets. ***The balance of the centrally held COVID-19 contingency budget of £1.5m has therefore been released in full as previously reported.***
- Staffing budgets across all service areas are forecast to underspend by £923k, a favourable movement of £162k since last reported. This is an area of significant underspend, largely due to difficulties in recruitment and the management controls introduced in the year. In order to manage the overall in-year budget pressure, the Council has recently amended the vacancy management process to add a recruitment pause of 4 weeks before a post is released to be advertised. This policy has also been extended into 2023/24 as part of our Draft Budget plans.
- Other net favourable movements of £647k across all service areas; a positive change of £833k since last reported. This includes pressure on delivery of some aspects of the savings programme from 2021/22 of £245k relating to estates and business rate reviews. ***The recent rises in the Bank of England base rate continues to have a positive impact of the level of investment income generated by the investment of surplus cash balances of £1.91m a positive movement of £1.12m since period 4.***
- **Schools DSG**
    - The overspend on the schools DSG budget is now £735k, an adverse movement of £10k since last period.
    - The high needs block still has significant pressures and work continues to take place on this with a HNB Sub-Group of the funding forum which is working on a report to summarise options for longer term savings.

- In addition to this work a meeting has also been held with the Education and Skills Funding Agency (ESFA) to progress work on a DSG Deficit Recovery Plan which will also assist in future planning.

3. Inflation, Energy and Cost of Living Impact

3.1 The Consumer Price Index (CPI) rose by 10.1% in the 12 months to September 2022, up from 9.9% in August and returning to July's recent high which represented a 40 year high. There is particular concern relating to energy prices, contractual inflation from companies in our supply chain and the impact of the 2022/23 local government pay award.

3.2 The assumptions on inflation are becoming firmer as the year progresses with the likes of the 2022/23 Local Government pay award having recently been agreed at an increase of £1,925 on all NJC pay points. This represents an average increase of approximately 6% across the payscale and a figure of £3.40m above our budget.

3.3 Pressures are also being felt in other contractual inflation and responses to alleviate pressures in care payments such as Foster Care allowances.

3.4 Energy contracts remain fluid due to fluctuations in world energy prices, however forecasts are becoming more reliable as the Council's purchasing consortium operate forward purchasing options. As at Period 6, increases in energy contracts are expected to cost £1.33m, compared with £1.13m at Period 4.

3.5 Not only does the escalating level of inflation pose a risk to the in-year position, where solutions need to be found to contain any pressures within existing resources, but also the impact on the Medium Term Financial Plan and increase in the budget gap in future years. Significant additional resource to cover the on-going inflationary pressures from 2022/23 has been added to our 2023/24 Draft Budget as presented to the Executive on 24th October 2022.

3.6 ***Our*** **working** ***assumption on the impact of the various inflation pressures in 2022/23 suggests that a figure of £5.5m would be needed in the current year which is £0.5m below the assumption made at Period 4.***

4. Summary of Outturn and Management Action

Service Outturn

4.1 There is an adverse service-related outturn of £561k, a positive movement of £351k since Period 4. Pressures continue to increase in Children's Services, particularly in Home to School Transport and loss of income from the Strategic Investment Programme. Pressures have been offset by sizeable positive movements in Treasury Management budgets due to increased income from the rise in interest rates.
It is essential that action is taken to reduce this adverse outturn and the following actions should be noted

- A number of contingency items are included in the outturn which have yet to be released. These include £400k and £438k in Children's and Adults services respectively for future potential increases in client demand and £590k in the corporate budget contingency.

- The management controls introduced in 2021/22 to approve all vacancies, coupled together with a further pause of 4 weeks before the post is advertised will continue for the foreseeable future.
- A freeze on all non-essential spend is introduced with immediate effect.
- There are a number of earmarked risk reserves, such as the Strategic Investment Risk Reserve and Business Rates Risk Reserve could be drawn upon, if income levels in these budgets deteriorate.
- As part of the Draft Budget 2023/24 an additional £1.5m has been added to address the impact of unavoidable recurrent demand pressures within Children's services and Home to School Transport.

Inflationary Pressures

4.2 In respect of inflation, which is now almost certain to add a £5.5m pressure in year. Representations have been made to the Government with regards to the impact, however given recent informal communication from the new Government leadership indicating a return to departmental savings plans suggests any further support is unlikely.

4.3 It is essential that any in year pressure is managed downwards to avoid any charge being made on the limited level of earmarked reserves the Council holds. Any significant use of reserves will impact on the resilience to support the Finance and Change programme in delivering a sustainable budget in future years.
Various measures to mitigate the impact of inflation are being undertaken; these include

- As reported in previous periods, the Council created a specific Inflation Risk Reserve of £3.0m during the 2021/22 closedown. The full amount of this reserve will be released as a one off measure.
- A figure of £1.0m will be released from the central contingency budget of £1.6m. Although this will leave no flexibility for other unknown pressures during the year.
- Clarity on the distribution of the additional resource identified by the Government to alleviate the pressures in hospital bed blocking should be clarified as soon as possible. This may allow the Council's base budget for the Hospital Discharge Programme to be utilised against the overwhelming inflationary pressures.
- As part of the work being undertaken by the Finance and Change Board, investigate whether opportunities exist to accelerate potential future savings proposals.
- The launch of an energy saving campaign, pre-purchasing materials to maintain supply and avoid increasing costs and an extension to the vacancy management process.
- Before the final budget for 2023/24 is agreed, a review of all earmarked reserves will be undertaken to challenge and identify potential uncommitted resource.

- As in the previous financial year, in order to maintain robust challenge and focus attention on the delivery of the savings programme, the regular budget monitoring reports is supplemented by monthly updates on all demand led budgets and the savings programme to be considered by the Corporate Leadership Team.

5. Corporate Performance

5.1 The Corporate Plan continues to reflect our service operation and core values in the delivery of public services, in collaboration with our communities, businesses and partners. A summary of performance to date, against the Council's Corporate Plan and supporting management information for the refreshed priorities, for the period 1 April to 30 September 2022, Quarter 1 and 2 is outlined in Appendix 5.

5.2 A dashboard of the three corporate priorities measures can be accessed on the Trafford Data Lab website: https://trafforddatalab.shinyapps.io/corporate-plan/. The dashboard visualises a range of indicators relating to each of the three strategic priorities. These show trend data for Trafford compared to the average of other similar Local Authorities (in terms of statistical characteristics) and also, where possible, to England. The annual indicators are outlined in Appendix 6.

There are a total of 57 indicators that are monitored as follows:

Strategic Priority	Annual Indicators	Quarterly Indicators
Reducing Health Inequalities	10	-
Supporting People out of Poverty	2	11
Addressing our Climate Crisis	11	3
Council wide	-	20

5.3 For many of the key performance indicators, the data is only updated annually, often via nationally published data, so a full performance report is not possible for this period. For this report only the quarterly performance indicators are reported on in Appendix 5.

5.4 There are currently seven indicators with a red status, eight with amber status, 17 with green status and two with no RAG status.

5.5 Performance has continued to be a mix of having to deal with the continued effects of Covid-19. For some indicators benchmarking or comparisons with the previous year is difficult. For example, the percentage of primary school children achieving the expected standard in reading, writing and maths (Key Stage 2) has had a 10 point reduction. A drop in performance was expected to some degree due to restricted attendance at school during the pandemic.

5.6 Some Council Service metrics are also included in the report as although they are not included in the priorities they provide a performance update for a range of services the Council provides. Areas achieving 5% below target include: timeliness of FOI requests, number of new apprenticeships, Adult Social Care clients receiving direct payments, Education Health Care Plan (EHCP) timeliness and Proportion of Care Experienced Young People in touch with a social workers or aftercare worker within last 8 weeks. More information is available in Appendix 5.

SECTION 2 – COLLECTION FUND

6. Council Tax

6.1 As at Period 6, there is a favourable outturn on the Council Tax element of the Collection Fund of £528k, a favourable movement of £85k from Period 4, of which the Council's share is £429k. The table below summarises the outturn by theme as at Period 6.

Table 2: Summary of in year Council Tax movements	**Council Tax Collection Fund (£000's)**	**Trafford Share (£000's)**	**Movement in Trafford share since P4 (£000's)**
Shortfall in Tax Base	451	367	(7)
Local Council Tax Support Scheme	(360)	(293)	(28)
Reduction in Cash Collection current year	481	392	(36)
Increase in Cash Collection (prior year)	(1,200)	(977)	0
Other Movements (Backdated discounts etc.)	100	82	1
Total In Year Position (Surplus)/Deficit	**(528)**	**(429)**	**(70)**

As at period 6 the following points are worthy of note:

- There is a shortfall in the core Tax Base of £451k. This is due to an increase in the number of discounts (e.g. single person) being claimed over that assumed in budget. The Council continues to review and challenge applications for claims, and these may reduce during the year. There is a further pressure in the core tax base as a result of the delay in new properties coming on-line.
- The number of claims for Council Tax Support is lower than budget by £360k. This is relatively good news given that the budget was also increased to reflect a return to a lower pre-pandemic level of claims. This situation may however deteriorate as there is a potential for an increase in claims for support due to the wider economic downturn and the significant pressures on household finances forecast later in the year.
- Cash collection – in year cash collection is lower than anticipated when compared with pre-pandemic levels, however collection of historic debt is favourable, resulting in a net benefit of £719k (£1,200k less £481k).
- Other adverse movements of £100k, related to the award of backdated banding revaluations.

6.2 Over recent years and largely due to the pandemic, it has been difficult to forecast Council Tax income and this situation looks set to continue for the foreseeable future. In recognition of this, a Council Tax Risk Reserve of £500k was established in 2021/22 to smooth out any unforeseen pressures. This reserve would be used as a first call if the estimated outturn should deteriorate.

6.3 Whilst it was too early in the financial year in the previous reporting period to consider if there was a recurrent pattern, in either a shortfall in the Tax Base and in-year cash collection or a surplus in the Council Tax Support Scheme, the fact that a similar pattern remains at Period 6, is indicating a potential pressure which may need to be reflected in our final budget plans for 2023/24.

6.4 It is encouraging to see a positive improvement in historic collection rates, which has contributed to the in-year surplus of £429k; this will be distributed in 2023/24 and is a favourable movement to the estimated value of £250k assumed as part of our 2023/24 draft budget plans.

7. Business Rates

7.1 As with Council Tax, there was an assumption of an increase in rates income as the economy started to return to pre-pandemic levels. Projecting business rates is by its nature complex and prone to variation, and the continuing economic pressures will add further uncertainty to the accuracy of projections.

7.2 Whilst the forecast outturn for business rates remains favourable and broadly in line with assumptions in supporting the 2023/24 draft budget plans, there has recently been a material reduction in Rateable Value in some premises at the Trafford Centre due to ongoing reconstruction work. Whilst the reduction is temporary in nature, it has resulted in a negative movement since Period 4 which may require the Business Rate Risk Reserve to be utilised to smooth the impact.

7.3 Discussions are ongoing with the Valuation Office Agency to understand the nature and longevity of the reduction in Rateable Value and thus the potential for the ongoing impact into next financial year.

SECTION 3 – SAVINGS AND INCOME PROGRAMME

8. MTFP Savings and Increased Income

8.1 The 2022/23 budget is based on the achievement of permanent base budget savings and increased income of £5.32m. As in previous years, it is critical that the current savings programme is achieved in full in order to avoid recurrent shortfalls cascading into future years and increasing the budget gap.

8.2 A detailed review of the status of each saving has been undertaken and a classification has been made using a “traffic light” system to highlight schemes at risk of not being achieved. Whilst some savings will be achieved through one-off alternative means/mitigating actions in the current year, a status has also been included on the risk of non-delivery falling into 2023/24.

Details of the savings 'in exception' of £1.285m are shown in Appendix 3 and a summary is as follows:

Table 3: Category	Number of Schemes	% of Schemes	Savings Budget (£000's)	Projected Outturn (£000's)	Net Variance (£000's)
Red	2	9%	(1,140)	0	1,140
Amber	10	43%	(1,579)	(1,434)	145
Green	11	48%	(2,603)	(2,603)	0
Total	**23**	**100%**	**(5,322)**	**(4,037)**	**1,285**

The latest forecast shows that the programme is currently expected to deliver savings of £4.04m, which is £1.28m below target. 12 schemes are classified as either Red or Amber status, of which the largest shortfall of £1.04m is from the Investment Strategy programme.

SECTION 4 – EARMARKED RESERVES

9. Reserves

9.1 Details of the reserve balances brought forward and estimated movements in 2022/23 were recently reported in the Draft Revenue Budget Report 2023/24 to Executive on 24th October 2022. It was concluded that due to the low level of reserves there was little headroom for any further substantial release of resources to support the budget gap and at the same time provide sufficient robustness to absorb the major financial risks over the short term.

9.2 Any adverse outturn in the current year will be a further strain on the limited reserves and it therefore essential every effort is made that the forecast adverse variance is brought back in line with budget. Any deterioration in the level of reserves will need to be considered by the Director of Finance and Systems when presenting his opinion on the robustness of the future budget plans.

SECTION 5 – CAPITAL PROGRAMME AND ASSET INVESTMENT STRATEGY

10. <u>Approved Budget</u>

10.1 The revised value of the indicative capital programme for 2022/23 to 2024/25 as at Period 4 was £222.32m. Since then, there has been an increase in the general programme of £6.56m to a total £228.88m of which :-

- £1.40m relates to the updated business case for Altrincham Leisure Centre reported to Executive in July 2022 which is anticipated to be funded by grant from Sports England.
- £5.13m relates to the introduction of Public Sector Decarbonisation Scheme (PSDS) works at Altrincham and Urmston Leisure Centres funded by Salix grant.
- There is also the inclusion of a community group contribution towards works at Sale West Play Area of £26k.

10.2 The revised capital programme budget for this financial year is £68.59m which is net increase of £10.37m from the P4 position of £58.22m and mainly due to additional grant allocations and reprofiled expenditure from 2023/24. The following table details the movement since period 4.

Table 4 - Capital Programme 2022/23	P4 Revised Approved Programme £m	Current Revised Programme £m	Period Movement £m
Service Analysis:			
Children's Services	16.75	15.76	(0.99)
Adult Social Care	3.82	3.82	-
Place	35.79	46.93	11.14
Governance & Community Strategy	0.05	0.05	-
Finance & Systems	1.81	2.03	0.22
General Programme Total	**58.22**	**68.59**	**10.37**

10.3 The current revised position of £68.59m (an increase of £10.37m) is a result of the period 6 monitoring exercise, with the following the areas of re-profiling as follows;

- Children Services – Schools
  - Basic Need – Firs Primary School (£390k), work on this scheme is well underway, but completion is now expected in April 2023, reprofiling the remaining costs by a month due to a minor delay.
  - Basic Need – Sale High School (£300k), the main element of works has now been completed with the remaining resources reprofiled to the next financial year for additional works that will need to be undertaken.
  - Capital Maintenance – Stretford Grammar (£300k) reprofiled to realign the programme with school holidays.

- Place
  - Carrington Rationalisation Works, £6.4m has been reprofiled to this financial year, which is funded from Homes England, with works on this element of the scheme is expected to start on site in November 2022 with completion by the external partner by March 2023.
  - Public Sector Decarbonisation Scheme at Altrincham and Urmston Leisure Centres (£5.13m) of Salix funding to deliver the main elements of work before March 2023.
  - Hybrid and Smarter Working (£220k), this budget has been reprioritised to assist with another element of hybrid working relating to the roll out of Office 365 across the councils ICT devices. This virement is recommended for approval by Executive.
  - Sale West Play Area (£26k) contribution has been received from a local community group for works.

- Finance and Systems
  - Office 365 implementation, £220k has been recommended for virement from the Place Directorate as above to cover additional implementation costs.

11. Specific Issues

- Carrington Relief Road

  Works undertaken to date of £1.6m to progress the scheme have been funded through £1m of Homes England grant and £470k of Evergreen funding and Section 106 monies all of which is unconditional and not at risk. An additional £675k conditional Growth Deal 3 funding from GMCA has been received taking available funding to £2.28m which is expected to be spent by January 2023. At this point further funding will be required to submit the planning application in 2023 (approx. £1m) and post planning fees (approx.£1.5m) with associated cost subject to inflation and risk. All of this planned expenditure is fundable by Growth Deal 3 (total of £6m available conditionally approved in 2019). Growth Deal 3 funding is conditional on the scheme achieving Full Business Case (FBC), including planning approval, and this is a potential risk for the Council. However it is currently anticipated that this risk is relatively low, and work has been undertaken to mitigate this as follows;

- The most significant risk is in achieving planning consent; once received this would represent a much stronger proposition to attract other funding streams and reduce the overall risk of not achieving FBC approval.
- Dialogue with TfGM has continued in order to resolve outstanding issues governing the scheme design and justification, including planning (partly towards achieving full CRSTS funding allocation).
- A Director-level Governing Board has been identified as an essential requirement to monitor and manage project risk and delivery obstacles, and to orchestrate partner actions.
- Regular reports have been provided to the Executive and Scrutiny Committees at key milestone point in the scheme, and a public engagement and consultation strategy is being implemented to minimise the risk of objections to the eventual planning application.

- <u>Public Sector Decarbonisation Scheme at Altrincham and Urmston Leisure Centre</u>
    - The Council has been awarded £5.13m of PSDS funds to undertake decarbonisation works at Altrincham and Urmston leisure centres. The total cost of the works is estimated to cost £6.29m and includes a match funding requirement from the Council of £1.16m. The original assumption was £344k of match funding and the increase reflects the need for additional enabling works and inflationary impacts affecting construction material and supply chains. The additional costs will be contained within the overall budget agreed by Executive for the Leisure investment. The grant agreement requirements all works to be completed by March 2023.
    - There are a number of risks associated with the delivery of works within the timeframe of the grant, planning approvals, procurement and any further cost pressures. Measures are already in place to mitigate these risks, however if the full grant is not spent by the deadline of March 2023, this has the potential to increase the Council's contribution and borrowing costs. Any additional costs would need to be met from the existing revenue budget to support Trafford Leisure CIC and therefore would have the potential to affect the affordability of future leisure centre investment works.
    - The works will generate significant energy savings such that the shortfall in funding will be paid back between two and four years plus deliver on the Council's decarbonisation priority.

12. <u>Resources</u>

12.1 The general capital programme is resourced by a combination of both internal and external funding and is detailed in the table shown below:

Table 5 - Capital Programme Resources 2022/25	**Budget 2022/23 £m**	**Budget 2023/24 £m**	**Budget 2024/25 £m**	**Budget Total £m**
General Programme Investment	**68.59**	**114.87**	**45.42**	**228.88**
Grants	49.89	70.83	9.84	130.56
External Contributions	3.02	4.80	1.40	9.22
Revenue and reserves	2.30	1.29	0.00	3.59
Prudential Borrowing	8.74	29.73	27.68	66.15
Forecast Capital Receipts	2.25	5.44	8.29	15.98
Total Funding	**66.20**	**112.09**	**47.21**	**225.50**
Surplus / (Deficit)	**(2.39)**	**(2.78)**	**1.79**	**(3.38)**

There are a number of options that will be considered to address the forecast deficit for the current year of £2.39m and the overall level of over-programming of £3.38m. The options are as follows:

a. Re-phasing of capital schemes that are funded from receipts will assist in reducing the short-term deficit. Work has already been undertaken with services to identify some schemes that can and have now been delayed mainly until the next financial year, although this effectively delays the funding issue until later financial years.

b. Deletion of schemes currently funded from receipts would assist with short term pressures and reduce the level of over programming within the programme. Historic schemes where work has not yet commenced will be reviewed as part of the new round of bidding to identify if all these schemes are still required and still align with council priorities. This will also include a wider review of the programme to identify any potential schemes that are no longer required.

c. Identify additional opportunities for land sales and development returns that are currently not assumed within the anticipated levels of receipts. Work is continually ongoing to identify any sites that are no longer required that could be either sold or developed in addition other development opportunities across the borough

d. Short-term borrowing as detailed in the February 2022 capital strategy could be used to fund the deficit in capital programme for the next two years until receipts are realised and then used to repay the borrowing. This would have an additional revenue cost that will need to be identified. This also carries a risk that if receipts are not realised within predicted time scales, or at all, the borrowing will then need to be paid for on a longer or more permanent basis for which there are no resources currently identified.

12.2 The Council will continue to undertake an annual bidding process in order to progress new schemes or revise existing schemes into the programme with the aim to reflect emerging and changing priorities over time and the availability of resources. Requests for new or revised bids have now been submitted, these are now being considered in line with capital programme priorities and will then be considered as part of the annual budget setting process in February 2023.

13. Asset Investment Fund

- Asset Investment Fund currently stands at a maximum approved limit of £500m, supported by prudential borrowing, to support the Council's Investment Strategy. The transactions that have been agreed by the Investment Management Board (IMB) to date have a total current committed cost of £342.41m, of which £236.77m has currently been expended.
- Since the last report, the debt facility at Castle Irwell Phase 1 has been fully repaid, and a new investment has been made in Broadheath, Altrincham. This new investment is a loan of £23.25m to Network Space Developments, which will be used to facilitate the construction of the Broadheath Networkcentre, 205,000 sq ft of modern industrial accommodation.
- The balance of the approved £500m which is available for further investment is £157.59 (Table 6 below)

Table 6: Asset Investment Fund	Prior Years Spend £m	Repayments £m	Actual Spend 2022/23 £m	Commitment £m	Total £m
Total Investment Fund					***500.00***
Property Purchase:					
Sonova House, Warrington	12.17	-		-	12.17
DSG, Preston	17.39	-		-	17.39
Grafton Centre incl. Travelodge Hotel, Altrincham	10.84	-		-	10.84
The Fort, Wigan	13.93	-		-	13.93
Sainsbury's, Altrincham	25.59	-		-	25.59
Sub Total	**79.92**	**-**	**-**	**-**	**79.92**
Property Development:					
Sale Magistrates Court	5.32	-	0.09	0.64	6.05
Brown Street, Hale	9.01	(3.34)	0.11	-	5.78
Former sorting office, Lacy Street, Stretford	0.90	-	-	-	0.90
GMP Site, Chester Road, Old Trafford	-	-	-	0.64	0.64
Care Home Purchase & Remediation	2.31	-	0.08	0.52	2.91
Tamworth	0.13	-	-	0.26	0.39
Various Development Sites	0.33	-	0.07	-	0.40
Sub Total	**18.00**	**(3.34)**	**0.35**	**2.06**	**17.07**
Equity:					
Stretford Mall, Equity	8.82	-	-	-	8.82
Stamford Quarter, Equity	16.97	-	1.09	6.63	24.69
K Site, Stretford Equity	11.21	-	0.03	1.15	12.39
Sub Total	**37.00**	**-**	**1.12**	**7.78**	**45.90**
Development Debt:					
Bruntwood; K site	11.11	-	0.03	1.25	12.39
Bruntwood; Stamford Qtr/Stretford Mall	25.82	-	1.09	6.66	33.57
CIS Building, Manchester	60.00	(25.80)		-	34.20
The Hut Group	62.45	(62.45)		67.50	67.50
Castle Irwell, Salford	18.70	(19.55)	0.85	-	-
Castle Irwell, Salford – Phase 2	3.74	-	6.00	2.26	12.00
Hale Library	1.29	-	1.74	1.57	4.60
Network Space, Broadheath	0	-	6.69	16.56	23.25
Sub Total	**183.11**	**(107.80)**	**16.40**	**95.80**	**187.51**
Total Capital Investment	**318.03**	**(111.14)**	**17.87**	**105.64**	**330.40**
Albert Estate Investment	17.62	(5.61)		-	12.01
Total Investment	**335.65**	**(116.75)**	**17.87**	**105.64**	**342.41**
Balance available					**157.59**

These investments are forecast to generate a net benefit to the revenue budget in 2022/23 of £5.322m, a deficit of £1.91m compared to the budget net target.

Key Variances include :-

- The 2022/23 budget assumed additional net income of £3.4m from schemes that were yet to be committed to. This figure represented the recycling of funds from schemes that have matured and been repaid, such as the Crescent. At period 4, it was reported that four new debt investments had been identified. Of these one, Network Space, has been agreed by IMB and included in the outturn forecast. Of the remaining three, two have been removed from the 2022/23 forecast due to a possible delay of proceeding linked to the current national outlook of financial uncertainty. Work will continue in order to identify further investments which will provide a revenue return as part of the Asset Investment Strategy's recycling target.

- The IMB have agreed to a 6 month extension to the debt facility at the CIS Tower, at a lower balance of £34.2m. This extension, in addition to the four months up to the end of July that had already been agreed, will provide a net revenue return of £1.26m in 2022/23.

- The forecast net returns from the Council's debt investment in the Albert Estate have reduced, by £0.21m due to a partial repayment of the loan from £17.62m to £12.01m.

- The Hut Group have informed the Council of their intention to delay the start of work on their new office accommodation. This has postponed the drawdown of the agreed facility until late 2022, which has caused a pressure in 2022/23 of £0.67m.

- A shortfall in returns from the Council's three joint ventures with Bruntwood of £0.85m, required to cover the Council's borrowing costs on the acquisition of the town centre assets in Stretford and Altrincham. This shortfall is a result of reduced trading income as the sites recover from the impact of Covid-19 on the retail sector, and prepare for regeneration schemes on both sites. This shortfall will be met from a draw from reserves in 2022/23, with the reserve balance replenished when the sites return to surplus.

- Higher returns to the value of £0.20m on debt facilities which are linked to variable interest rates.

- The Risk Reserve level at the start of the year was £6.31m. This level of reserve is currently considered to be sufficient in relation to the immediate risks that the portfolio is exposed to. The Council will, therefore, make reduced contributions in 2022/23, and £0.78m will instead be used as part of the mitigation of the forecasted income pressures.

Risk Reserve B/F	**6,309**
Shopping Centre Support	(845)
Budgeted Contribution	778
Reduced Contribution	(778)
Risk Reserve C/F	**5,464**

14. Prudential Indicators

14.1 The Prudential Code requires authorities to look at capital expenditure and investment plans in light of the overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long term financing implications and potential risks to the authority.

14.2 Revision to the Prudential Code in 2021 added further requirements for Local Authorities to monitor and report against all forward looking prudential indicators on at least a quarterly basis. In addition a new indicator has been made a requirement for Local Authorities to review net income from commercial and service investments as a percentage of the Authority's net revenue stream.

14.3 The Prudential Indicators will now be included as part of this bi-monthly monitoring report and are shown in Appendix 4. The indicators are grouped into three categories and the following observations can be made :-

Capital Expenditure Indicators
The overall level of general capital programme over the three year period has increased by £41.65m from the original approved position of £187.23 to £228.88m. This increase has been previously reported through the monitoring process and is as result of:

- Re-profiling from 2021/22 reported to Executive as part of the P10 and Capital Outturn reports for 2021/22 - £13.15m
- Increases in education grant funding - £17.62m
- Net increase in highways related grant funding - £4.19m
- New funding to support leisure centre and public sector decarbonisation schemes of - £6.56m
- Small increase in funding across other areas - £0.13m

The level of Capital Financing Requirement (CFR) has increased over three year period by £1.01m, this is as a result of reprofiling of capital expenditure funded from borrowing from 2021/22.

External Debt Indicators
External debts levels are forecast not to exceed those approved for 2022/25.

Affordability Indicators
The is a slight reduction the "financing to net revenue stream" than original approved from 2022/23 due to lower assumed in year borrowing and is expected to remain below the approved level for the three year programme.

In terms of “Net Income for commercial and service investments to net revenue stream” it is expected that this will be slightly higher than approved as a result of better returns on investments.

15. Issues / Risks

- A key risk is the ability to deliver the revised capital programme in 2022/23, and this will continue to be closely monitored and reported throughout the year and as any significant issues may arise.

- In addition, there is the risk that the level of capital receipts that will be realised in the year and in future will be insufficient to fund the relevant schemes in the capital programme. A prudent approach to estimating these asset receipts and development returns will continue to be taken with only receipts that have a significant level of certainty being included in the resource forecasts.

16. Recommendations

It is recommended that the Executive:

- note the updated positions on the revenue budget, collection fund, capital programme and Prudential Indicators.
- Approve a virement within the Capital Programme of £220k held under the hybrid working scheme within Place Directorate to the Office 365 programme within Finance and Systems.
- Note that the Prudential Code now requires that the Council report and monitor Prudential Indicators on at least a quarterly basis during the financial year and will be reported in this bi-monthly monitoring report going forward.
- Note the contents of the Corporate Plan Performance for Quarter 1 and 2.

<u>Other Options</u>

No Applicable.

<u>Consultation</u>

Not Applicable

<u>Reasons for Recommendation</u>

Not applicable

Finance Officer Clearance *……DM…………*
Legal Officer Clearance *………………DG…*

DIRECTOR’S SIGNATURE ………GB…

Appendix 1

Service Review/Virements	Children's (£000's)	Adults (£000's)	Place (£000's)	Strategy & Resources (£000's)	Finance & Systems (£000's)	Legal & Governance (£000's)	Council -wide (£000's)	Total (£000's)
Period 4 Outturn Report	**44,057**	**69,814**	**30,998**	**5,137**	**8,169**	**6,310**	**28,087**	**192,572**
Virements:								
Trafford Town Hall Receptionist	(5)	(5)	(5)	20	(5)			0
Remembrance Sunday events budget				10			(10)	0
Restructure - Access Trafford, School Crossing Patrol and Arts & Culture services moved to Strategy & Resources				3,675		(3,675)		0
Total movements	**(5)**	**(5)**	**(5)**	**3,705**	**(5)**	**(3,675)**	**(10)**	**0**
Period 6 Outturn Report	**44,052**	**69,809**	**30,993**	**8,842**	**8,164**	**2,635**	**28,077**	**192,572**

Appendix 2

Main variances, changes to budget assumptions and key risks

The main variances contributing to the projected overspend of £561k, any changes to budget assumptions and associated key risks are highlighted below:

Table : Main variances	Forecast Variance (£000's)	Explanation/Risks
Children's Services	1,977	**Projected outturn variance £1.977m adverse, adverse movement of £379k.** Below is the projected position on children's placements and other budget areas. • £462 over budget on Children's placements, adverse movement of £112k (note 1); • £273k under budget on staffing, favourable movement of £4k (note 2); • £1.147m over budget on home to school transport, adverse movement of £167k (note 3). • £643k over budget on other running costs and income across the service, adverse movement of £106k (note 4); **<u>Note 1</u>** Children's placements currently projects an overspend of £462k, adverse movement of £112k. At the time of setting the budget for 22/23 and based on placements in December the service had a contingency of £1m for additional demand with savings of £758k to achieve (original savings were £1.358m less full year effect of those achieved in 21/22 of £600k). In reviewing this position based on the placements as at the 1st April 22/23 this contingency had reduced to a negative position of £294k. This was mainly due to 2 additional placements made during February/March 2022 with an annual cost of £1.346m. This had a significant impact on the children's placements position for 22/23. Within the overall position there is also another £196k of planned reductions still to take place, a favourable movement of £201k from period 4. Contingency of £294k was utilised between Period 4 and 6 and although not sufficient to cover the overall net increase in new placement costs of £421k, this has been offset by a combination of additional savings and a review by the service on health contributions made towards placements. There is still a contingency of £400k included in the above projections to cover any further demand, cost

		increases and potential timeline changes to the anticipated planned reductions mentioned above. The savings of £1.358m included in the budget has been achieved through a combination of work undertaken during 21/22 and its full year impact, planned and additional reductions for 22/23 and a review of funding received from health towards placements However there are still further planned reductions to take place and continuous scrutiny in this area will be applied. Projections on these may be subject to change. The numbers of children as at the end of September compared to those at the end of July are as follows:- • children in care 342, no change • child protection 199, a reduction of 17 • children in need 766, a reduction of 20 Although children in care numbers have remained the same it is important to note that overall costs for placements may not fall at the same level as the types of placements that are stepped down and those that are new will vary as will the costs. For example the current average cost for internal fostering is £22k per year and for a residential placement it is £310k. **<u>Note 2</u>** The favourable variance in staffing of £273k, favourable movement of £4k is due to delays and difficulties in recruiting. These are one-off in nature as the service continues with its service redesign and recruitment drive during 2022/23. The staffing savings included in the budget of £110k are expected to be achieved this year either through permanent reductions or due to the delays in recruiting as mentioned above. However, this will be reviewed throughout the year as to their permanency as the service redesign continues. **<u>Note 3</u>** The projected overspend in Home to School Transport of £1.147m, an adverse movement of £167k is due to: • the service continues to see an increase in demand with further applications being received; • an increase in the complexity of cases, of which a number require transport to out of borough settings;

		• the price increases on contracts being incurred due to the increase in fuel costs;
		
		This area is being scrutinised through the finance and change process.
		
		<u>Note 4</u>
		
		The adverse variance in running costs and income across the service is £643k, an adverse movement of £106k as outlined below: -
		
		• £71k adverse variance on Partington & Sanyu nurseries, adverse variance of £10k. The overall variance is due to a shortfall in income.
		
		• £454k adverse variance in running costs, adverse movement of £66k. The variance is due to: -
		  o one off costs to support a young person in hospital £190k adverse, no movement,
		  o S17 costs £295k adverse, adverse movement of £77k. S17 payments are made where, for children in need, the authority identifies the needs for these children and ensures that the family are given the appropriate support in enabling them to safeguard and promote the child's welfare. As with placements the type of need required by each family can vary depending on the complexities. A review of all S17 payments is currently taking place to assess likely future years requirements.
		  o Other costs £31k favourable, favourable movement of £11k
		
		• £118k adverse variance on minor variances across the service, £25k adverse movement.

Adult Services	9	**Projected variance £9k adverse an adverse movement of £123k from P4.** The impact of COVID-19 continues to have a significant bearing on the service in terms of demand, its service delivery and finances, this is expected to continue throughout this financial year. The areas of favourable variance and pressures are outlined below: • £15k adverse variance on adult clients (Note 1), £15k adverse movement from period 4. • £6k favourable position on staffing and running costs an adverse movement of £108k. (Note 2) **<u>Note 1</u>** Adult Clients is projecting a £15k adverse variance as at period 6.

		This budget remains high in complexity and volatility as a result of COVID-19 due to the following:- • assessing the impact on clients of previous infection and long covid • assessing the long-term impact on clients unable to access services during this period • supporting the NHS with rapid discharges from hospitals as they deal with the backlog of patients waiting treatments • potential impact of new infections • increased mental health support **Packages of Care** – The P6 position is projecting a £41k favourable variance a favourable movement favourable movement of £10k from P4. Within the forecast is a contingency of £438k to mitigate new demand and increases to existing client costs that may present throughout the financial year. **Discharge to Assess** – Between April 2020 and March 2022 national funding was available in the form of the hospital discharge fund. However, from April 2022 this funding is no longer available and local plans are required to sustain the current operating model. To meet this the Council and Trafford CCG, now known as NHS Greater Manchester Integrated Care (Trafford Locality), established a joint one-off fund to support hospital discharges during 22/23 to enable the model to be reviewed as recurring budgets held by both organisations are not sufficient. The Council's recurring discharge to assess budget for beds is £1.5m and any costs in excess of this will be met from the joint fund. Current projections are that there are sufficient funds to cover these projected excess costs. **Savings** – The savings target for 22/23 is £219k and £40k savings have been achieved to date. The forecast assumes that the target will be under achieved by £56k an adverse movement of £25k from P4. This is due to a delay in the implementation of savings proposals. Regular scrutiny will be applied in this area and updates will be provided through the financial year. **<u>Note 2</u>** The forecast projected outturn position for staffing and running costs is a favourable variance of £6k an adverse movement of £108k from P4 as outlined below: - • £4k adverse variance on staffing an adverse movement of £4k.

		• £110k favourable variance on client equipment due to lower than anticipated activity an adverse movement of £4k from P4. • The savings target on Liberty Protection Safeguards of £100k is not expected to be achieved in this financial year due to the date of implementation which is set by central government being deferred. This is an adverse movement of £100k from period 4.
Public Health	(1)	**Projected Outturn variance £1k favourable an adverse movement of £18k from P4.** This favourable position is due to minor variations. There is further scope for the underspend to increase due to the likelihood that projections on activity-based budgets will decrease as the year progresses. A full review will take place and revised projections will be included in the P8 report.
Place	2,209	**Total projected outturn variance £2.209m adverse, an adverse movement of £335k.** **Place Revenue Budget £300k adverse, a favourable movement of £17k:** • Pressures include £148k relating to property costs (reduced by £9k), including ongoing security costs at Trafford Town Hall, residual utility bills for properties disposed of in 2021, and one-off costs associated with the PFI review of Sale Waterside. • There are also estates savings of £195k, and an additional £50k from business rate reviews, which are in the process of being finalised but not expected to be fully achieved in the current year. • There is a projected shortfall in building control income of £114k (increased by £42k), which is offset by a related underspend in staffing from vacancies. Projected parking income is also £105k below budgeted target (£50k increase) due to later implementation of fee changes approved by Council in February 2022 and ongoing effects of COVID-19 on demand compared to pre-pandemic. • Additional income above budget includes Altair £120k and other rents £4k (£1k increase). • Other net minor movements across all services are £22k adverse (reduction of £3k). • There is an estimated overall staffing underspend of £270k relating to vacancies forecast across the year (excluding the ringfenced Planning account) (increase of £42k), which is approximately 3.6% of the staffing budget. This is offset by a Directorate-wide efficiency saving of £105k.

		• The Planning service is a ringfenced account and is projecting a shortfall in income of £299k (increased by £12k) which is offset by an underspend of £344k in staffing, running costs and reserve contributions (increased by £69k). This is a net underspend of £45k for the year (£57k net favourable movement). **Strategic Investment Programme £1.909m adverse, an adverse movement of £352k:** The Strategic Investment Property Portfolio is expected to deliver a net benefit to the revenue budget in 2022/23 of £5.322m. This is £1.909m lower than budgeted due to economic factors affecting some of the income particularly from the town centre investments (£352k adverse movement).
Strategy & Resources	(396)	**Projected outturn variance £396k favourable, a favourable movement of £176k.** • Staff costs are estimated to be £357k less than budget across the Directorate based on actual and forecast vacancies across the whole year, which is 3.8% of the total staffing budget and £171k higher than last reported; • Running costs are forecast to be £32k underspent. This has reduced by £69k including £24k relating to libraries, £18k in Communications, £14k Partnerships and £7k Bereavement Services; • Other Income is projected to be £238k above budget. This includes £123k from the traded Music Service (increased by £20k), £85k from Catering and Cleaning (increased by £61k), £74k from Bereavement Services (increased by £35k) and £11k from staff parking (reduced by £33k), offset by a £30k shortfall in income from libraries (reduced by £3k) and other income £25k (increased by £7k). Overall projected income is £79k higher than last reported. These are offset by the budgeted Directorate-wide efficiency saving target of £231k (increased by £5k), which is expected to be achieved in full.

Finance & Systems	79	**Projected outturn variance £79k adverse, a favourable movement of £8k.** • Staff costs are estimated to be £205k less than budget across the Directorate based on actual and forecast vacancies for the whole year, which is 2.3% of the total staffing budget and £13k higher than last reported; • Running costs are forecast to be overspent by £27k (increase of £10k); • Income is projected to be £66k below budget (reduced by £10k), which relates to reduced ICT trading income from schools. These are offset by the budgeted Directorate-wide efficiency saving target of £191k (increased by £5k).
Legal and Governance	407	**Projected outturn variance £407k adverse, an adverse movement of £100k.** • Staff costs are estimated to be £178k above budget and includes for agency costs covering vacancies and service demand. This has increased by £102k since last reported as a number of interim arrangements have needed to be further extended due to ongoing difficulties in filling vacancies and continued increased demand; • Running costs are projected to be overspent by £101k (increased by £35k) and mainly relates to legal fees associated with workload demand; • There is a projected shortfall in income of £38k compared to budget (reduced by £37k. This overall shortfall includes £28k in capital fee income which is related to staff vacancies, £26k shortfall in traded services and £43k reduced grant income in electoral registration service. Registrars income is forecast to be £55k above budget and land charges £4k. The above is offset by the budgeted Directorate-wide efficiency saving target of £90k.

Council-wide	(3,723)	**Projected Outturn variance, £2.601m favourable, a favourable movement of £1.122m since Period 4** **Treasury Management** The average interest rate at the time of setting the budget was expected to generate income of £433k. Successive increases in the Bank of England base rate has seen a subsequent increase in the average investment rate (Bank of England currently 2.25%), which is expected to generate additional investment interest of £1.977m, an increase of £1.122m since period 4. Other net adverse variances against budget of £65k. **Housing Benefit** The Housing Benefit budget is notoriously difficult to predict. At period 6 a saving on the net Housing Benefit budget (payments made, less subsidy and overpayment recovery) of £257k is estimated, although there is a wide margin for error given the unknowns and this figure could change throughout the year. A reserve of £500k is set aside should this budget enter an overspend position. No change since period 4. **COVID-19 Contingency** At this stage in the year, there is nothing to suggest there are any long term COVID pressures, with income levels from Sales, fees and charges being in line with budget, therefore the central COVID contingency of £1.50m has been released in full, as previously reported. **GMCA Transport Levy** The final GMCA Transport levy set is lower than the budget agreed in February by £154k.

Dedicated Schools Budget	735	**Schools Block** - £361k underspend relates to the Growth Fund. **Central Schools Block** - £22k underspend is in Primary Targeted **High Needs Block** - £1.120m overspend is due to a £223k overspend on the budget set and that the budget set is £898k more than the latest grant allocation received. The £223k over spend is mainly due to funding an additional 24 further education placements at £6k each (£144k) with no additional grant. Additional funding in the current formula is not provided by central government for any increases in 19-25 year olds. Additional places being funded at The Orchards, Brentwood and Delamere have resulted in a £333k over spend on the special schools budget but this has been offset by a corresponding under spend of £275k on the out of borough budget. The balance of the overspend relates to minor variances. There is a negative high needs block reserve of £1.992m, leaving an overall deficit of £3.112m. Work continues to take place on this with a HNB sub-group of the funding forum which is working on a report to summarise options for longer term savings. In addition to this a meeting has also been held with the Education and Skills Funding Agency (ESFA) to progress work on a DSG Deficit Recovery Plan which will also assist in future planning. **Early Years Block** - £2k minor underspend

Appendix 3

Theme/Title	Service Area	Budget 2022/23 £000's	Outturn Projection 2022/23 £000's	Gross Variance 2022/23 P4 £000's	Description of Saving	Financial RAG 22/23	Financial RAG comments
Liberty Protection Safeguards (LPS)/Portal – Reshaping.	Adults	(100)	0	100	The implementation of the LPS scheme and a whole system portal which will drive through efficiencies and costs savings.	AMBER	This saving is dependent upon changes in legislation and it is not yet clear when this will be enacted.
Learning Disabilities - supported accommodation	Adults	(113)	(88)	25	Working with providers to identify efficiencies that can be achieved in the learning disability supported living accommodation contracts.	AMBER	Work is underway with providers
Strategic Investment Income	Place	(1,040)	0	1,040	Recycling of receipts to maintain net income at achievable levels	RED	Ongoing MTFP issue
Resident parking permits and parking charges	Place	(100)	(80)	20	A range of measures will be undertaken to ensure charges are suitable whilst also recognising potential impact on users, businesses and the environment.	AMBER	Delay in implementing the fee changes approved in February.

Digital Strategy	Council Wide	(100)	0	100	Increased use of digital technology to deliver better and more efficient services.	RED	Increased investment in technology to deliver efficiencies (streamlining processes etc) Savings yet to be identified
TOTAL SAVINGS AND INCOME PROPOSALS		**(1,453)**	**(168)**	**1,285**			

Prudential Indicators – 2022/23 **Appendix 4**

The Prudential Code for Capital Finance in Local Authority was reviewed and updated following a consultation with Local Authorities in November 2021. The Code requires that the Council report and monitor Prudential Indicators on at least a quarterly basis during the financial year. These indicators are designed to support and record local decision making in a manner that is publicly accountable.

These indicators are approved and set by the Council in February each year as part of the wider budget setting process.

The prudential indicators cover the three areas in which the Council is required to report and monitor:

Capital expenditure indicators:

- **Estimates of capital expenditure**; Actual total capital expenditure for previous financial year and estimates of spend for the following three years. Variances found here from the approved indicator level to the current forecast level are due to revisions to the programme, reported through the regular Capital Budget Monitoring and approved by the Executive.
- **Estimates of capital financing requirement;** this reflects the estimated need to borrow for capital investment (i.e. the anticipated level of capital expenditure not financed from capital grants and contributions, revenue or capital receipts).

Prudential Indicators - Period 6 2022/23	2021/22	2022/23			2023/24			2024/25		
	Actual £m	Approved £m	Current Forecast £m	Variance £m	Approved £m	Current Forecast £m	Variance £m	Approved £m	Current Forecast £m	Variance £m
Capital Expenditure										
Capital expenditure - General Programme	27.07	79.56	68.59	(10.97)	68.60	114.87	46.27	39.07	45.42	6.35
Capital expenditure - Investment Strategy	30.90	130.15	104.62	(25.53)	75.00	129.51	54.51	25.00	28.46	3.46
Capital expenditure - Total	57.97	209.71	173.21	(36.40)	143.60	244.38	100.78	64.07	73.88	9.81
Capital Financing Requirement (CFR)	376.35	538.44	481.02	(57.42)	624.81	630.86	6.05	624.28	676.66	52.38

External debt indicators

- **Authorised limit for external debt;** This is a key prudential indicator and represents a control on the maximum level of external debt that the Council will require for all known potential requirements. It includes headroom to cover the risk of short-term cash flow variations that could lead to temporary borrowing and any potential effects arising from bringing "off balance sheet" leased assets onto the balance sheet in compliance with IFRS 16.
- **Operational boundary for external debt;** calculated on a similar basis as the authorised limit but represents the likely level of external debt that may be reached during the course of the year and is not a limit
- **Gross debt and the capital financing requirement;** The Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

Prudential Indicators - Period 6 2022/23	2021/22	2022/23			2023/24			2024/25		
	Actual £m	Approved £m	Current Forecast £m	Variance £m	Approved £m	Current Forecast £m	Variance £m	Approved £m	Current Forecast £m	Variance £m
External Debt										
Authorised limit for external debt - Capital Programme	200.00	210.00	210.00	0.00	240.00	240.00	0.00	240.00	240.00	0.00
Authorised limit for external debt - Investment Strategy	300.00	400.00	400.00	0.00	475.00	475.00	0.00	500.00	500.00	0.00
Authorised limit for external debt - Other long-term liabilities	4.20	3.90	3.90	0.00	3.50	3.50	0.00	3.10	3.10	0.00
Authorised limit for external debt - Total	504.20	613.90	613.90	0.00	718.50	718.50	0.00	743.10	743.10	0.00
Actual external debt	322.42									
Operational boundary for external debt - Capital Programme	180.00	190.00	190.00	0.00	220.00	220.00	0.00	220.00	220.00	0.00

Operational boundary for external debt - Investment Strategy	300.00	400.00	400.00	0.00	475.00	475.00	0.00	500.00	500.00	0.00
Operational boundary for external debt - Other long-term liabilities	4.20	3.90	3.90	0.00	3.50	3.50	0.00	3.10	3.10	0.00
Operational boundary for external debt - Total	484.20	593.90	593.90	0.00	698.50	698.50	0.00	723.10	723.10	0.00
Gross debt and the capital financing requirement	Compliant	Compliant	Compliant	-	Compliant	Compliant	-	Compliant	Compliant	-

Affordability indicators

- **Estimates of financing costs to net revenue stream;** this indicator shows the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the Council's net revenue stream. This demonstrates the affordability and proportionality of that borrowing by comparing it to the Council's net revenue stream as a whole.
- **Estimates of net income from commercial and service investments to net revenue stream;** This indicator compares income from commercial investments to the Council's net revenue stream. As before, this comparison allows for consideration for the Council's reliance on that income and its proportionality.

Prudential Indicators - Period 6 2022/23	2021/22	2022/23			2023/24			2024/25		
	Actual £m	Approved £m	Current Forecast £m	Variance £m	Approved £m	Current Forecast £m	Variance £m	Approved £m	Current Forecast £m	Variance £m
Affordability										
Financing Costs to net revenue stream	6.6%	6.7%	6.6%	-0.1%	6.8%	6.7%	-0.1%	6.6%	6.7%	0.1%
Net Income for commercial and service investments to net revenue stream	9.4%	7.5%	8.0%	0.5%	6.0%	8.0%	2.0%	5.4%	7.5%	2.1%

A red-amber-green (RAG) direction of travel rating is provided to give an indication of whether performance is improving or declining based on the target. Indicators with arrows highlighted green: improved on the previous value or on an expected target. Indicators with arrows highlighted amber: within 5% of the target (slight decline). Indicators with arrows highlighted red: declined by more than 5% on the target. Some indicators do not have a target (for example, due to being a new indicator) and will therefore have no target RAG rating. Similarly, some of our indicators are new and we do not have any previous data to compare our performance to or it is not appropriate to compare to previous data; these will have no direction of travel RAG rating in the summary pages.

Some Council Service metrics are also included in the report as although they are not included in the priorities, they provide a performance update for a range of services the Council provides.

Supporting people out of poverty	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Q1 22/23	Q2 22/23	Direction of travel	Comments
	Percentage receiving Universal Credit (UC) and the Claimant Count (CC)	2.3% (CC) 5.1% (UC)	2.5% (CC) 6.4% (UC)	5.3% (CC) 11.8% (UC)	3.4% (CC) 10.3% (UC)	TBD	3.1% (CC) 10.6% (UC)	3.1% (CC) 11% (UC)	NA	It should be noted that a target cannot be set easily for this indicator as in some instances an increase could represent less people experiencing poverty as they are being supported to access the right benefits.
	Number of people prevented from becoming homeless	416	444	303	310	344 (based on last year +10%)	90	69	NA	The number of people prevented from becoming homeless this quarter is below target as most people who approached HOST for assistance had already left their property and as such HOST were unable to prevent and the applicant was placed straight into Relief Duty.

	Improve the number of affordable housing completions	82	69	79	100	300 (based on forecast units in 22/23)	14	149	↑	A successful quarter of affordable housing completions which has excepted the target. Affordable completions this quarter include: • 75 units as part of the Sale West • 31 apts at 50-78 Higher Road, Urmston • 15 apts at Chapel House, 14 New Street, Altrincham • 16 houses Oak Road, Partington development • 6 affordable units at Heath Farm development 6 affordable units at Lock Lane development
	Improve overall employment rate (aged 16-64) (%)	77%	79.8%	76.5%	76%	76.2%	73.5%	Not yet published	↓	Trafford fell 2.2% below England rate and 4.8% below the average of similar local authorities at 73.5%.
	Improve number of housing completions	953	788	1301	546	1,300 (based on forecast units in 22/23)	146	528	↑	A successful quarter of housing completions which has excepted the target. Large completions this quarter include: -246 flat and 28 houses at the Land bound by Bridgewater way, Chester Road, Virgil Street and Princess Way, Old Trafford site. -70 units for Regents Road Car Park – Altrincham

	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Q1 22/23 Actual	Q2 22/23 Actual	Direction of travel	Comments
Supporting people out of poverty	Improve the number of people being re-housed (from Trafford's housing waiting list)	229	301	119	446	360 (based on last year +10%)	95	69	⬇	The number of people re-housed is reliant on the number of available properties the Housing Associations have available to advertise. This quarter has seen a reduction in the available properties which has reduced the number of people able to be re-housed. As Trafford is a non-stock holding authority, we reliable solely on the Housing Associations to enable people to be re-housed from our Register.
	Maintain the low level of 16–17-year-olds who are not in education training or employment (NEET)	2.3% (Dec-Feb average)	1.8% (Dec-Feb average	2.3% (Dec-Feb average)	1.78%	1.96%	1.88%	1.89% (last reported figure from Aug)	⬆	The very positive figures are the result of improved tracking of this cohort of young people by using the Youth Engagement Service. We have gained funding via the latest Education and Skills Fund for NEET contracts which will help continue to offer an enhanced level of support to NEET and 'at risk of' NEET young people in Trafford.

	Improve the percentage of primary school children achieving the expected standard in reading, writing and maths. (KS2)	77%	Not available- no testing due to Covid	Not available – no testing due to Covid		77%	Not available	66.9%	↓	This figure comes from DfE following the second data checking exercise. It was expected that attainment levels would drop this year due to restricted attendance at schools during the pandemic, but a 10 point reduction is probably more than expected. At this point, DfE have not published any data, but data that we have access to (from 101 LAs) shows a 6.5 point drop nationally, to 58.6%. This being the case, Trafford will remain amongst the higher levels of attainment in the country. The current level is above that achieved nationally pre-pandemic.
	Percentage take-up of funded childcare and early education places for two-year-olds	90%	100%	88%	106%	TBC	108% (Spring term)	108%	↑	This ranks Trafford 1st nationally and 1st in relation to statistical neighbours.

	Increase the percentage take up of funded childcare and early education places for 2-year-olds in North Trafford	NA	NA	68% (Rolling 3 term average in 2021)	69% 30 ppts gap	To reduce the gap between take up in North Trafford and the rest of the Borough by 15ppts	79% (3 term rolling average)	83.6% (3 term rolling average)	⬆	This is another significant increase improvement with an increase of over 4ppts. This decreases the % gap between take up of the 2 year offer in the North compared to the rest of Trafford to 16% where it had previously been an 18% gap for Spring and a 25% gap for Autumn. The gap continues to narrow with take up in all areas above national.
	Increase the percentage of children at or above the expected level of development at 2 - 2.5 Years	NA	NA	NA	86%	88%	86.9%	89.4%	⬇	2.5% increase in the number of children at or above expected level this quarter. Trafford remains higher than the national average (83%). Also worth noting there was an increase (+17%) in the number of children who received the developmental review in Q2 compared to Q1.

	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Q1 22/23 Actual	Q2 22/23 Actual	Direction of travel	Comments
Addressing our Climate Crisis	Percentage of household waste which is collected for recycling	57.3%	56.9%	53.3%	55.5%	56.8%	61.1%	60.5%		Recycling rate has dropped slightly, but still well above target. It is expected that the rate will drop slightly again in Q3, as garden waste collected decreases through autumn.
	Household waste collected not sent for recycling (Tonnes)	25,525	26,399	31,109	29,523 (-5%)	27,506	7,086	14,000		Residual waste collected remains outside the target set in the LAMA submission to GMCA, but performance has improved in Q2, from 2.4% above the tonnage target at the end of Q1, to 1.5% above target in Q2
	Increase number of electric charging points per 100,000 population	NA	21.6	19	24.4	48	32	Data not yet published		The data reflects devices which report as operational at the end of each quarter. Between July 2021 and January 2022 Trafford's rate, although much lower, was increasing at a faster rate than its comparators. However the rate devices per 100K compared with 44.6 for the average of similar LAs and 48.8 for England

Council Service Performance Table:

	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Q1 22/23 Actual	Q2 22/23 Actual	Direction of travel	Comments
Council Services	Libraries loans (physical)	522,977	518,820	104,389	353,073	400,000	109,784	127,027	↑	Loans have increased again in Q2, however still only about 80% of pre-pandemic levels
	Libraries loans (digital)	80,219	160,718	311,710	272,360	250,000	72,566	77,723	↑	Digital loans continue to increase despite physical loans also increasing.
	Shifting enquiries to online self-service (reduce call volume)	22,686	36,406	45,922	61,199	65,000 (80%)	18,632 (78%)	18,814 (79%)	↑	Increase from Q1(78%)
	Timeliness of FOI requests	84%	83.40%	67.10%	63%	95% (as set by the ICO)	78%	67%	↓	The performance over the last quarter is not an accurate snapshot as for many FOIs received in September, especially late September, the 20 day deadline has not been reached. A more realistic figure of the last previous quarter (July, Aug, Sept) will be available only end of October.

Council Services	Definition	18/19	19/20	20/21	21/22	Target 22/23	Q1 22/23 Actual	Q2 22/23 Actual	Direction of travel	Comments
	Percentage of council tax collected	98.10%	97.80%	97.20%	97.5	97.2%	29.3%	57.08%	⬆	We continue to recover high levels of council tax will be looking to return to pre-Covid collection rates.
	Percentage of major planning applications processed within timescales	100%	100%	100%	100%	100%	100%	100%	⬅➡	Performance continues to remain exceptional. Total number decided within the year 35 and 13 within the quarter.
	More adopted streets and paths scored at grade B or higher (road cleanliness)	83.3%	88%	93.80%	96.6%	88%	92.1%	93.2%	⬆	Street cleanliness continues to be well above target. The One Trafford Partnership has just taken delivery of 4 new small mechanical sweepers, which should ensure that less time is lost due to breakdowns.
	Maintain Percentage of Highway defects rectified in accordance with the 'Reactive Maintenance Procedure' timescales	93.5%	92.9%	98.7%	97.9%	95%	98.1%	98%	⬆	Performance is significantly above the annual target, and has remained at a similar level for each of the last three quarters.

Improve the number of apprenticeships across the Council's directorates and to maximise the levy spend		274	71	60	36	3 starts (April to June)	13	↓	A cohort of level 5 learners is planned for recruitment for a Jan 2023 start. The quarterly figure is the number of apprenticeship starts from the beginning of the financial year to the end of the relevant quarter. School's apprenticeships are now separated out and not included in the KPIs.

Council Services	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Q1 22/23 Actual	Q2 22/23 Actual	Direction of travel	Comments
	Reduce sickness absence from previous year	10.07 FTE days lost	10.05 FTE days lost	9.29 FTE days lost	12.95 FTE days lost	10 FTE days lost	10.72 FTE days lost	10.39 FTE days lost	↓	Sickness this quarter has reduced by 0.33FTE days as compared to the Q1. However, it is higher than the target.
	Maintain rate of admissions to permanent residential nursing in over 65+	539.5	684.8	543	614.3	550	133.6	279.2	↓	This is a similar level to this time last year which was 291.4. If we continue on this trajectory, we will be on course to achieve our year-end target. As a system we continue to work across all areas to ensure that timely assessment is undertaken either within hospital or within a Discharge to Assess (D2A) bed.

	Maintain older people still at home 91 days after discharge from hospital into reablement services	93%	91.6%	88.9%	93.3%	91%	89.1%	88.7%	⬇	We are reporting a steady position at the end of Q2 22/23. We continue to be around 8% ahead of the regional and national out-turns for this indicator. Our new suite of service responses, to enable people to be discharged home with enhanced levels of support, is having an impact on this service area.
	Improve the proportion of clients receiving community-based services with direct payments	26.8%	28%	24.9%	22.6%	25%	16.3%	16.7%	⬆	We still have a lower rate of Direct Payments than previous years and compared with regional comparators.
	Improve the success of short-term services in Adult Social Care (ST Max)	45.1%	44.1%	46.5%	56.6%	59%	45%	56%	⬆	We are on track to meet our year-end target for this indicator and will aim to continue our trend in improvement

Council Services	Definition	18/19	19/20	20/21	21/22	Target 22/23	Q1 22/23 Actual	Q2 22/23 Actual	Direction of travel	Comments
	Children in Need cases open over 12 months (all open referrals)	903	804	732	716	750	754	777 (52%)	↑	This data represents all children open to Childrens Social Care and includes all Child in Need, Child Protection and Cared for Children. 63% of the overall children open to a service for more than 12 months are Cared For Children or Care Experienced. Whilst demand is fluctuating detailed analysis is ongoing to understand whether this relates to changes to specific case status or is a reflection of demand reduction strategies.
	Proportion of referrals that were re-referrals to Children's Social Care Services (within last 12 months)	26.9%	31.8%	17.2%	21.4%	22%	25.7%	16.2%	↓	The figure of 16.2% for the Quarter is excellent, especially when prior to the period the measure had seen a slow, long-term upward trend with monthly figures over 25%. It is currently at 20.2% for the year, below last published comparator figures.
	Early Help Assessments completed	**NA**	**NA**	170	170	180	89	86	↓	Whilst we are on track to achieve this target, it should be noted that the target is comparatively small compared to other LA's. The majority of the EHA's should be completed

										by partner agencies not council services. Work in this regard is ongoing across the partnership
	Proportion of Care Experienced Young People in touch with a social workers or care worker within last 8 weeks (17–21-year-olds)	19%	38%	83%	83%	90%	78.4%	74.7%	↓	The national standards for keeping in touch is activity must take place within the timeframe of 3 months before and 1 month after the Care Leavers birthday (within a 4 month period around birthdays). Our local indicator is keeping in touch within an 8 week period. The target set for this measure is 90%. In the first 2 quarters of this reporting year the performance has not met the target. Whilst the performance hasn't met the target, there are improvements on previous years reporting. The aim is to consistently achieve 90%.
Council Services	**Definition**	**18/19**	**19/20**	**20/21**	**21/22**	**Target 22/23**	**Q1 22/23 Actual**	**Q2 22/23 Actual**	**Direction of travel**	**Comments**
	Improve Education Health Care Plan (EHCP) timeliness (% of EHCPs issued within 20 weeks requests agreed)	61.8%	81.8%	78.3%	56.4%	60%	31%	42.3%	↑	Figures for the last 3 Quarters have been poor, with the outturn for 21/22 of 56.4% being below the percentages recorded in previous years. Alongside this Q1 saw a very high number of both requests for and EHCPs issued. Given the high numbers of requests coming in and

										backlogs in the system, these figures are unlikely to improve in the short term. Year-to-date, 36.4% of EHCPs have been issued within 20 weeks.
	Maintain percentage of schools that provide good or outstanding levels of education		93.5%	93.5%	93.4%	93.4%	94%	93.4%		There are currently 6 schools judged to be below ‘Good’. One of these has moved from Inadequate to Requires Improvement following a recent inspection. Whilst previously ‘Good’ schools are tending to maintain their judgements following inspection under the new framework, outcomes are more mixed for those previously ‘Outstanding’.

Corporate Plan Performance - Key Performance Indicators **Annually or biennially** **Appendix 6**

	Definition	Frequency	18/19	19/20	20/21	21/22	Target for 22/23	Direction of travel	Comments
Reducing Health Inequalities	Narrow the deprivation gap for adults who are classified as overweight or obese	Annual	60.0	59.3	60.7	Data not yet available	Maintain direction of travel (reduction). Percentage reduction for 21/22 to be greater than 3% (7.3% from 18/19 to 19/20)		Trafford is already lowest of its statistical neighbours. This data is not available at Ward level. Maintain lower percentage compared to England average. The percentage of adults classified as overweight or obese has increased by 1.4 percent from 19/20 to 20/21
	Increase the percentage of adults who are active	Annual	69	68.1	68.2	Data not yet available	Maintain the gap between deciles 1 and 10 by Nov 2021		New data for 20/21 now released in Q4. The percentage of adults who are active during 20/21 has being maintained from 19/20 To move into the top 2 of our statistical neighbours (we are currently 5th highest). This is deteriorating and we are waiting for the next published data to see the impact of Covid on adults who are active. This is reflected in the National picture too.

	Improve the % of children who are active	Annual	47.5	37.7	43.1	Data not yet available	To maintain our position in comparison with our statistical neighbours	↑	To maintain our position in comparison with our statistical neighbours (we are currently 7th highest)

Reducing Health Inequalities	Definition	Frequency	18/19	19/20	20/21	2021/22	Target for 22/23	Direction of travel	Comments
	Reduce the under 75 mortality rate from causes considered preventable (per 100,000 population)	Annual	133.9 (2018)	144.2 (2019)	131.0 (2020)	Data not yet available	To maintain our position in comparison with our statistical neighbours	↓	Target to maintain our position in comparison with our statistical neighbours is due to the ongoing impact of covid also seen at a national level.
	Improve the healthy life expectancy at birth (by deprivation and gender)	Annual	(2016 – 18) Female 66.0 Male 66.0	(2017 – 19) Female 65 Male 65.6	(2018 – 20) Female 66.9 Male 66.3	Data not yet available	To move into the top 2 of our statistical neighbours for males and top 3 for females	Female ↑ Male ↑	New data for 2020/21 now released in Q4. The healthy life expectancy has increased by almost two years for females and 0.7 years for males from 2017 – 19 to 2018 – 2020 Target is to move into the top 2 of our statistical neighbours for males and top 3 for females.
	Improve the inequality in life expectancy at birth. (The slope index of inequality)	Annual	(2016 – 18) Female 7.4 Male 9.3	(2017 – 19) Female 7.9 Male 8.8	(2018 – 20) Female 7.4 Male 8.5	Data not yet available	To maintain our position in comparison with our statistical neighbours	Female ↓ Male ↓	We are currently 8th highest for females and 9th highest for males

Reducing Health Inequalities	Reduce the proportion of five-year-old children with experience of visually obvious dental decay	Bi-Annual	26.0		Last updated in Nov 2020; expect 20/21 update in Winter 2022.	Data not yet available	To join the lowest three of our statistical neighbours	n/a	This data is not available at Ward level. There is clear and consistent evidence for a social gradient in the prevalence of dental decay in England. To become the lowest of our statistical neighbours (we are currently 5th lowest)
	Definition	**Frequency**	**18/19**	**19/20**	**20/21**	21/22	**Target for 22/23**	**Direction of travel**	**Comments**
	Reduce the depression (recorded prevalence age 18+)	Annual	13.9	14.8	15.4	Data not yet available	To halt the increase in depression prevalence	↑	To move into the bottom half of our statistical neighbours (we are currently 3rd highest)
	Reduce smoking in routine/manual (R&M) workers vs general population (inequality in smoking rates)	Annual	R&M 26.4% (2018)	R&M 17.4% (2019) Gen. pop. 13.4%	R&M 20.3% (2020) Gen. pop. 12.9%	Data not yet available	5% reduction in the difference between routine/manual worker smoking rates and general population smoking rates	↑	A change in data collection affects the data for 2020 meaning the confidence limits will be wider for the 2020 figure. Target for a 5% reduction in the difference between routine/manual worker smoking rates and general population smoking rates

	Definition	Frequency	18/19	19/20	20/21	21/22	Target for 22/23	Direction of travel	Comments
Reducing Health Inequalities	Narrow the gap in the % of children who are classified as obese (including severely obese) in Reception and Year 6 between the most and least deprived quintiles.	Annual	(2014/15 - 2018/19) Reception Most deprived quintile 12.0 Second most deprived quintile 9.6 Year 6 Most deprived quintile 23.8 Second most deprived quintile 21.5	(2015/16 2019/20) Reception Most deprived quintile 11.6 Second most deprived quintile 8.8 Year 6 Most deprived quintile 24.6 Second most deprived quintile 21.9	Data not yet available. Last updated in June 2021; expect 20/21 update in summer 2022.	Data not yet available	Maintain lower percentage compared to England average. Maintain our position in comparison with statistical neighbours	<u>Reception</u> Most deprived quintile Second most deprived quintile <u>Year 6</u> Most deprived quintile Second most deprived quintile	Data is available by quintiles – target to reduce the gap between the most deprived quintile and least deprived quintile by 20% per year (whilst ensuring there is not an overall increase). Target to apply to both Reception and Year 6. Given the impact of the pandemic, we hope to have maintained our position compared to our statistical neighbours, though we are in the top 20 highest cumulative Covid areas.

Addressing our climate crisis	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Direction of travel	Comments
	Reduce borough wide CO_2 emissions (Kilo tonnes)	1,507.0 (2018)	1,467.6 (2019)	Not yet published	Not yet published	1,271.0	TBC	No data has been published since 2019. Awaiting next publication of data.
	Corporate CO2 emissions (tonnes)	17,433	17,134	15,205	Not yet published	11,087	TBC	New data for 20/21. This figure includes emissions reported under scope 1 (direct emissions- fossil fuels burned directly by the Council), scope 2 (indirect emissions- imported electricity), and scope 3 (other indirect emissions from products and services).

Addressing our climate crisis	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Direction of travel	Comments
	Reduction in annual mean concentration of particulate matter (PM_{10}) µg/m^3 (MP = Moss Park, A56 = A56 Chester Road)	MP:14.5 A56:16.8 (2019)	MP:13.1 A56:14.1 (2020)	MP:13.2 A56:14.4 (2021)	MP: 21.5 A56: 20.1	MP: 13.1 A56:14.1	↑	The annual mean is reported from 01 January to 31 December. The Q4 figure is the quarterly mean from 01 January to 31 March. After a reduction in 2020 there has been a slight increase in 2021. The Q4 figures indicate a further sizable increase for 2022.
	Reduction in annual mean concentration of nitrogen dioxide (NO_2) µg/m^3 (MP = Moss Park, A56 = A56 Chester Road, WA = Wellacre)	MP:19 A56:30 WA:15.5 (2019)	MP:14 A56:21 WA:11.4 (2020)	MP:15 A56:23.1 WA:13.3 (2021)	MP: 18.5 A56: 22.5 WA: 14.7	MP: 14 A56: 21 WA: 11.4	↑	The annual mean is reported from 01 January to 31 December. The Q4 figure is the quarterly mean from 01 January to 31 March. After a reduction in 2020 there has been an increase in 2021 but still below pre-Covid levels. However, the Q4 data is indicating a return to 2019 levels with the exception of the A56 readings.

	Increase proportion of adults who do any walking or cycling, for any purpose, five times per week	33.5	34.5	30	Not yet published	36.1		Trafford has seen a decrese in the rate from 34.5 to 30. Perforamnce has dropped below similar to statistical neighbour's average of 32.5%.
	Increase of the number of school streets in the borough	0	0	0	0	5	NA	5 school streets have agreed funding from TfGM and 3 are in process of being established using local resources.
	Improve number of staff trained in carbon literacy	NA	NA	20	86	TBC		For generic staff training, a focus will continue to on rolling out training across the organisation in 2022-23

Addressing our climate crisis	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Direction of travel	Comments
	Improve proportion of Energy Performance Certificates (EPC) registered to Trafford addresses that are A, B or C	31.2% (2010-2019)	32.0% (2011-2020)	33.4% (2012-2021)	36.2%	TBC		The Committee on Climate Crisis states that all homes will need to be EPC C or above to reach Net Zero.
	Reduce vehicle miles travelled on roads in Trafford (millions)	1,034.4 (2018)	1,084.7 (2019)	886.6 (2020)	846 (2021)	939		Decrease largely due to the impact of covid, lockdowns and remote working.
	Reduce number of licenced vehicles with Trafford addresses	130,076 (2018)	131,133 (2019)	129,116 (2020)	130,387 (June 2022)	130,212		This is less compared to similar statistical neighbours (202,502)
	Increase percentage of licenced Ultra Low Emission Vehicles with Trafford addresses [Number registered at year end]	0.37% [476] (2018)	0.52% [684] (2019)	0.81% [1,042] (2020)	1.76% (June 22)	3.73%		Targets for *Proportion of licenced Ultra Low Emission Vehicles* and *Proportion of Energy Performance Certificates* are based on a linear reduction rate from current levels to 100% by 2038. To reach Net Zero, all vehicles – including

								heavy-goods vehicles (HGVs) – must be fossil fuel free.

Supporting people out of poverty	Definition	18/19	19/20	20/21	21/22	Target for 22/23	Direction of travel	Comments
	Reduce % of households fuel poverty levels	10.4% (2018)	12.8% (2019)	12.3% (2020)	Data not available	12.1%	⬇	***New data for 2020 just released in Q4-** In 2020, 12.3% of households in Trafford were fuel poor. This masks considerable variation between small areas within Trafford. In Clifford ward, some 19.2% of households were living in fuel poverty. 2019 and 2020 fuel poverty statistics are based on the new Low Income Low Energy Efficiency (LILEE) metric as opposed to the Low Income High Costs (LIHC) metric. Additional fuel poor households were identified by the LILEE metric.
	Improve employees paid at/above the real living wage	77.4%	77.1%	80.7%	No quarterly data	83%	NA	We are progressing towards RLW Accreditation as a Council and engaging with our suppliers alongside considering the financial impact of this ambition. Though the increase is positive, Trafford is still 3.2% below the mean of statistical neighbours.