



<b>Report of:</b>	<b>To:</b>	<b>Date</b>	<b>Item No.</b>
Cllr. Alan Vincent, Resources Portfolio Holder	Council	14 July 2011	10(b)

<b>EXECUTIVE REPORT: RESOURCES PORTFOLIO HOLDER</b>
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**1. Purpose of Report**

**1.1** To inform Council of progress on key objectives and the current position on issues within the Resources portfolio.

**2. Current and Future Issues**

**2.1** Summary information is attached in Appendix 1 on the following key issues:

- Finance;
- Human Resources and
- Procurement.

**3.** In accordance with procedure rule 10.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 10.5.

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**RESOURCES PORTFOLIO HOLDER PROGRESS UPDATE – JULY 2011**

**1. Finance**

- 1.1 The draft Statement of Accounts was presented to the Audit Committee at their meeting on the 28 June and the External Auditors are on site for two weeks commencing 18 July to complete the process.
- 1.2 The reported under spend of £312,607, essentially revenue slippage, has been added to the Council's balances and an updated Medium Term Financial Plan will be presented to Cabinet in September. Savings on housing and council tax benefit, employee costs and utilities alone totals £332,000 and together with additional income and other miscellaneous under spends has been used to top up the Capital Investment reserve by £680,000. To put this in context, when you consider that the gross expenditure for last year was £65m, a net saving of £680,000 equates to 1% of our gross revenue budget.
- 1.3 The latest projection of our borrowing requirement, taking into account the funding that has been agreed for 2010/11 and the capital slippage to future years, totals £2,555,995. The value of the Capital Investment Reserve at the end of 2011/12, including the top-up of £680,000, is expected to be £1,930,464 leaving a shortfall of approximately £626,000 which we still need to find if we are to avoid taking additional borrowing.
- 1.4 An Executive Summary setting out the main details in a format that is straightforward and easy to understand is now included in the Statement of Accounts as part of the Explanatory Foreword. The Statement, together with a questions and answers paper, can be found on the web site. These explanatory papers aim to provide an interpretation of the accounts and highlight key issues for the benefit of members.

**2. Human Resources**

- 2.1 In order to improve the performance appraisal process still further, a new assessment will be undertaken in June/July for each member of staff whereby both they and their manager score themselves against the Council's competency framework. This will enable employees to understand exactly what is expected of them and assist managers with identifying gaps in competencies that can subsequently be addressed.

**3. Procurement**

- 3.1 The Lancashire Procurement Hub has been granted funding allowing them to continue their work until the 31 March 2012. A county-wide offer is being developed in the mean time as part of the new strategic partnership with BT. The Council has used the Lancashire Procurement Hub to manage a number of different procurements and contracts including using their suggested framework agreement for stationery and securing access to a supplier portal known as the CHEST, at a much reduced rate.