

Report of:	To:	Date	Item No.
Cllr. Alan Vincent, Resources Portfolio Holder	Council	30 July 2015	9(b)

Executive Report: Resources Portfolio Holder

1. Purpose of report

- 1.1** To inform Council of progress on key objectives and the current position on issues within the Resources Portfolio, as set out below.

2. Finance

- 2.1** The draft Statement of Accounts was presented to the Audit Committee at their meeting on the 30 June and the External Auditors were on site for two weeks commencing 6 July to complete the process.

- 2.2** As anticipated, there is a reported under spend of £706,790, essentially revenue slippage, which has been added to the Council's balances and an updated Medium Term Financial Plan will be presented to Cabinet in September.

- 2.3** In reality, after allowing for slippage and changes in grants, the real saving is £336,866. Additional income from car parking, government grant, professional fees, summons costs, recovery of council tax benefit and interest totals £174,471. Savings in employee costs, utilities, vehicle and travel costs, tools and equipment and postage budgets total £195,410. These positive variances have been used to compensate for over spends on Leisure Management, the land charges litigation and housing benefits of £160,114. The net savings of £209,767 together with other miscellaneous under spends of £108,291 and additional business rates retained of £18,808 have been used to top up the Capital Investment Reserve by £336,866. When you consider that our gross expenditure on services for last year was £56m, a net saving of £336,866 equates to 0.6%.

- 2.4** I am pleased to be able to report that in amongst the 112 pages for consideration by the Audit Committee there are some good news stories.

- ✓ The Marine Hall operating costs for 2014/15 were £255,435 - a reduction of 54% from the cost in 2007/08 of £553,737;
- ✓ The £32m housing benefit bill was managed effectively with an over spend in payments of only £21,344 or 0.1%;

- ✓ Overpayments of housing benefit that were the result of delay or error by the Authority were minimal at £45,000 (0.14% of total benefit paid) and compared favourably to the Government's target of £150,000 or 0.48%;
- ✓ NNDR grant retained, net of the levy payment, totalling £338,293 has been identified as being available for future use (subject to audit);
- ✓ 165 Disabled Facility Grants were delivered to homes in Wyre – 16 more properties when compared to the 149 grants delivered in 2013/14;
- ✓ Almost 60% of the capital investment in 2014/15 was met by grants and contributions meaning that the impact on our taxpayers is minimised.

2.5 Whilst the Council maintains what looks like a healthy level of money in the bank, the latest financial projections show this money is needed in future years as significant reductions in government funding kick in. The latest update reflects a gap between expenditure and income in 2018/19 of £3m and in effect, our level of balances only allows the Council to continue with its current spending plans until March 2020 before it runs out of money. The senior leadership team has identified further savings in order to bring the expenditure and income projections back into balance and indicative government grant settlements are expected to be announced later this year, which should assist with future forecasting.

2.6 Earmarked reserves also look healthy, but much of this money is already committed to schemes with examples including; the Garstang leisure centre improvement works, sand filters at Fleetwood Leisure Centre, the replacement of IT hardware and software, the vehicle fleet or simply meeting the cost of the council tax freeze – the money the Council receives from tax payers has been frozen at the rate set in 2010/11.

3. Human resources

3.1 Earlier this month, the Council received a visit from Fred Ayres, the Council's Investors In People Assessor, who was undertaking the 18 month mid-term review for the Investors In People Award. The review was an opportunity to review the action plan and progress made to date and for him to explain how the new framework will differ. There will be nine indicators which will be underpinned by the Investors in People Maturity Model allowing for measurement, benchmarking and progression towards higher levels of accreditation. There are four levels in the framework; developed, established, advanced and high performing. The assessment process will involve an initial context discussion, an on-line staff survey and on-site interviews. The next assessment is scheduled for January 2017.

3.2 Members may be aware that a new flexi and door access system is being installed across the Council and will require new passes which use proximity readers. The passes will also be used for the multi-functional devices (photocopiers) which are also being replaced at the same time. New cards will be issued to Members at the Council meeting 30 July together with a note detailing the date from which they will be effective.

3.3 Members may recall that last month I reported that sickness levels for the year ended 31 March 2015 were 5.47 days, lower than our ambitious target of 6 days, and consistent with the previous year (5.46 days in 2013/14). We have now received local authority sickness absence statistics from North West Employers which reflects data for 17 of the 18 district councils in Lancashire and Cumbria. This indicates that the mean average for district councils is 8.14 days with only one authority reporting better performance than Wyre at 5.08 days. Once again, I would ask Members to join with me in saying well done to all concerned.

4. Procurement

4.1 There is nothing significant to report at this time.

5. Asset management

5.1 Discussions are ongoing with the interested party in relation to the Garstang Business Centre site and a public consultation exercise will follow soon with Garstang Town Council being contacted first.

5.2 The community use agreement for St Thomas' Church Hall is currently being drafted and the Church has been asked to provide a copy of the title deeds and any necessary consents or Faculties required so that the legal agreement can be progressed.

6. Comments and questions

6.1 In accordance with procedure rule 11.3 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 11.5.