

| Report of: | To: | Date | Item No. |
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| Cllr Alan Vincent, Resources Portfolio Holder and Deputy Leader | Council | 20 July 2017 | 8(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 final accounts for 2016/17 have now been audited and will be agreed by the Audit Committee at their meeting on 25 July. Revenue slippage continues to grow year on year and in relation to 2016/17 the value (net of reserve funding) is £999,390. As this expenditure still needs to be incurred, the saving is returned to balances to be spent in 2017/18 resulting in the increased contribution to balances of £999,390.

In summary, the other major variations include:

- **additional income** from planning fees and new burdens grant, summons costs, housing benefit and interest totalling £272,352;
- **savings** in employee costs, utilities, fuel, vehicles, training, payment card processing fees, waste disposal, insurance, car park maintenance, community and sports development, air pollution and printing and stationery budgets totalling £583,155.

These positive variances have been used to compensate for the underachievement of income on Off Street Parking and Housing Renovation Grants; in total unbudgeted costs of £92,961. The net savings of £762,546 together with other miscellaneous underspends of £134,872 have been used to top up the capital investment reserve by £495,545 and the New Homes Bonus Reserve by £401,873.

When you consider that our gross expenditure on services for last year was £54m, a net saving of £897,418 equates to 1.7%.

- 2.2 The Council previously committed to a sector-led body approach for the appointment of its external auditors from 2018/19. The Local Government Association established an independent company, Public Sector Audit Appointments Ltd, to take on the management of the external audit

contracts for local public bodies following the closure of the Audit Commission. The first stage of this process has now been completed and whilst we do not yet know which firm will be auditing our accounts we do know that KPMG will not remain as our external auditors after 2017/18.

- 2.3** Members will be aware that the Queen's speech did not contain the anticipated Finance Bill which would have paved the way legislatively for introducing a 100% business rates retention (BRR) system from 2020. This leaves local authorities uncertain about their future funding. Wyre's Revenue Support Grant (RSG) reduces to nil in 2019/20 with the expectation that 100% BRR would provide an alternative source of funding but as this will not now be the case there is increased focus on the Chancellor's Autumn Budget and whether RSG will now continue in some form.

3. IT / digital transformation

- 3.1** I am pleased to report that the council's website has been rated four stars in this year's SOCITM (Society of IT managers) Better Connected review. This is an annual assessment of all local authority websites where a reviewer visits our website on random days and tries to complete a series of tasks, such as applying for council tax discount or reporting missed bins. Previously we have been rated three stars so it's great news that we've improved the site sufficiently to receive the top rating of four out of four stars. Only 36 councils from a total of 416 received four stars (less than 9%).

4. Procurement

- 4.1** A review of potential suppliers for our energy procurement contract has been undertaken. Our current supplier British Independent Utilities (BIU) provided the best prices with guaranteed savings of over £7,000 per annum on electricity costs based on current consumption.

5. Asset management

- 5.1** Last night I took a report to Cabinet to agree the terms for disposal of Garstang Business Centre. The disposal of the Business Centre will generate a capital receipt for the council which will be used to contribute towards future capital investment. It will also deliver savings from the remaining running costs of the site. A key part of the negotiation has been to ensure that there is a sufficient level of long stay car parking which will continue to be made available to residents of Garstang after the disposal takes place. Work is expected to start on-site in the Autumn.
- 5.2** Repairs to flat roofs at Fleetwood Market, Marine Hall and Cleveleys Bus Station have been completed. The roofs were coated with a liquid roof covering (Belzona) to give the required waterproofing and extend the life span by 20 years. Similar repairs were undertaken at Thornton Leisure Centre which had a badly corroded metal roof and guttering.
- 5.3** The replacement of sand filters at Garstang Swimming pool will commence on 24 July 2017 and will take 4-5 weeks to complete.

6. Comments and questions

- 6.1** 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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