



| Report of:   | To:     | Date of Meeting  | Item No. |
|--|---------|------------------|----------|
| Cllr. Alan Vincent,<br>Resources Portfolio<br>Holder | Council | 29 November 2012 | 9(b)     |

## EXECUTIVE REPORT: RESOURCES PORTFOLIO HOLDER

### 1. Purpose of Report

- 1.1 To inform Council of the current position on a number of issues within the Resources Portfolio as set out in paragraph 2 below.

### 2. Current and Future Issues

(a) Finance

- 2.1 The budget preparation for 2013/14 is progressing well. There were five potential capital growth bids for new schemes for the next financial year which have been considered by the Budget Scrutiny Group. Their recommendations will be presented together with the updated capital programme following the 3rd quarter review (as at 31 December 2012) to the Cabinet meeting 16 January 2013.
- 2.2 The Portfolio Holder's proposals for any increases in fees and charges have also been considered by the Budget Scrutiny Group and individual Portfolio Holders have been presented with relevant feedback which has assisted them in making their recommendations.
- 2.3 Members may or may not be aware that there have been a number of cost pressures recently identified including the waste management cost sharing funding agreement with LCC which involves a significant reduction in the level of support over a five year period, the introduction of new charges for surface water drainage at the Council's parks and cemeteries and the Government's auto enrolment of pensions which will impact at Wyre from January 2014. The impact will be assessed and reflected in the updated Medium Term Financial Plan which will be presented to Cabinet 20 February 2013.

**2.4** The Council also anxiously awaits the announcement of its funding level for 2013/14 which is expected sometime in December.

(b) Human Resources

**2.5** Members will recall that the Council was in the process of developing a Green Travel Plan. I am pleased to say that the plan has now been approved by Lancashire County Council's Sustainable Travel Team. As part of the action plan, a Green Travel day was held 12 October 2012, and employees were encouraged to travel to work in a more environmentally friendly way than they would do normally by cycling, walking or car sharing. Lancashire County Council supported the day by providing free bike checks and all staff were invited to have a go on a pedal powered smoothie maker which LCC provided along with promotional literature. An article was subsequently published in the Gazette featuring the three members of staff who had entered into the spirit of the day outlining their experiences.

(c) Procurement

**2.6** The evaluation of suppliers for the Property Repairs and Maintenance Framework agreement has recently been concluded and successful tenderers were notified in November with the framework commencing 10 December 2012.

**2.7** The Council is about to enter its last year of a four year Energy Framework agreement with the Government Procurement Service (GPS), formerly known as Buying Solutions. GPS has performed very well this year for the public sector, and has bucked the trend by announcing that the costs paid for energy have gone down, unlike other energy providers who have increased their prices for the coming year. This has resulted in the Council's 2012/13 original estimate for electricity being reduced by 21% from £286,990 to £227,950 saving the council £59,040. The 2012/13 original estimate for gas has also been reduced by 19% from £76,300 to £62,060 saving the council £14,240. These reductions have arisen because the Council decided to enter in to a longer agreement with GPS giving us more flexibility and allowing the purchase of energy when it was at its lowest price over a longer period of time. This strategy allowed GPS to buy energy in smaller quantities at different times over this longer window rather than in larger amounts in a smaller window.

(d) Asset Management

**2.9** I am pleased to report that the Asset Management Plan will be considered by Cabinet at its next meeting in early December and look forward to the release of funding from surplus or underperforming assets that will be used to fund future investment.

**3. Comments and Questions**

**3.1** 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.

arm/ex/cou/cr/12/2911av (b) resources