



Report of:	To:	Date	Item No.
Cllr. Alan Vincent, Resources Portfolio Holder	Council	8 September 2011	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.

2. Current and Future Issues

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

- Finance;
- Human Resources;
- Procurement; and
- Asset Management.

3. 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.

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RESOURCES PORTFOLIO HOLDER PROGRESS UPDATE – SEPTEMBER 2011

1. Finance

- 1.1** Later this month Cabinet will be considering an update of the Medium Term Financial Plan, the latest version having been originally agreed back in March as part of the Estimate process. Each month, any changes to our spending forecast are presented to Management Board and the revision of the full plan in September allows us to update our prediction taking into account the previous year's financial performance, current developments in terms of central government policy and the latest information around inflationary increases.
- 1.2** The most recent grant settlement indicated the level of external support in terms of Revenue Support Grant and the re-distribution of Non Domestic Rates for the 2011/12 and 2012/13 financial years. The Government is currently consulting on their Local Government Resource Review: Proposals for Business Rates Retention and wants to change the current system by enabling councils to keep a share of the business rate growth. It is proposed that the baseline level of funding would be set so that at the start of the system, the grant support would be the same as that currently awarded. From then on the funding would grow if the business rate base in the area grows but could fall if the business rate base declines. There are lots of issues still to be decided which will ultimately impact on the projected level of income for the Council in 2013/14 and 2014/15. We will monitor the situation as it develops and keep Members informed accordingly. I understand that this matter was discussed at the Lancashire Leaders Group meeting on the 8 August and the County Council has offered to co-ordinate a response on behalf of all councils in Lancashire as it is imperative that no council within the County is adversely affected by the proposed changes.
- 1.3** I am particularly pleased with the efficiency savings delivered to date that the Leader has referred to earlier. Whilst we are all aware of the difficult times that lie ahead, I feel confident that we as a Council have done everything possible to ensure that we are in the best position financially to weather the storm and I can assure my fellow Members that our prudent approach will continue.

2. Human Resources

- 2.1** The restructure plans continue in each of the Directorates particularly now with regard to positions within the new structures below the Head of Service level. Work has included job evaluation, creation of job descriptions, advice on the compilation of Officer Delegation Reports, union and employee consultation and the undertaking and / or support of the required recruitment processes.
- 2.2** Following a review of the provision of the Council's Employee Assistance Programme (EAP), we have now engaged Health Assured, via our Occupational Health Service provider, to provide a better and more cost effective advice service. Health Assured offers a confidential support

service for employees at only £2.50 per head, providing access to:

- A stress helpline
- Structured telephone counselling
- Tax advice
- Legal advice (the EAP will not provide employment law advice)
- Eldercare
- Childcare
- Medical information

2.3 The ongoing review of HR policies continues with six having been submitted and agreed by the Employment and Appeals Committee prior to implementation.

3. Procurement

3.1 The Council's print strategy, whereby multi functional devices are used for both printing and photocopying, has delivered savings in excess of the £15,000 originally anticipated, with the saving for 2010/11 being assessed as £20,800.

3.2 Work on a number of key procurement contracts is continuing and these include the Waste Management contract, the purchase of wheeled bins, print and design work, Mythic Coast artworks and postal services.

3.3 The number of electronic invoices received by the Council has reached 40% for the first time. Suppliers email their invoices straight to the processing team and this reduces their postage and printing costs helping them to continue to provide cost effective prices.

4. Asset Management

4.1 There are no specific issues to report at this time.

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