

Committee: Finance & Administration

Agenda Item

Date: 25 November 2010

5

Title: Lead Officer's Report

**Author: Stephen Joyce
Assistant Chief Executive – Finance
Tel. 01799 510628**

Item for information

Summary

1. This report updates Members on matters arising since the last meeting that are not otherwise on this Agenda, and other items of interest.

2009/10 Statement of Accounts

2. The accounts were approved by Full Council on 30 September and received an unqualified opinion by the external auditor on the same date. There were no changes to the revenue outturn position or the level of revenue reserves that were reported to this Committee in June. The auditors certified that the Council had adequate value for money arrangements except for one area, asset management. This represents a significant improvement on the 2008/09 value for money opinion, when four areas were qualified. In December, the Audit Commission is to publish a list of local authorities whose 2009/10 value for money opinions were qualified. Despite the improvement, the Council will be named in this publication because of the aforementioned qualification relating to asset management. Action is being taken as commented upon below.

Asset Management

3. An arrangement has been made with Braintree DC's asset management team to provide support. Work is in progress to establish a reliable asset register, following which an updated Asset Management Plan will be produced for presentation to this Committee in March.

Council Offices, 46 High Street, Great Dunmow

4. The sale completed as scheduled on 30 September. The capital receipt was £645,000. The estimated carbon saving has been calculated at 73.4 tonnes per annum, and annual financial savings will be around £24,000. The voluntary sector tenancy has transferred to the new owners.

Revenues & Benefits Partnership

5. On 30 September Full Council decided to enter into partnership with Harlow Council to provide a shared Revenues & Benefits Service. Harlow Council unanimously made a similar decision on 5 November. A Joint Committee is being set up to oversee implementation, which is scheduled for October 2011.

Welfare Reform

6. On 11 November, the Government announced proposals for welfare reform. Early indications are that it will have profound implications for this Council's administration of Housing Benefits and Council Tax Benefits. Housing Benefit may in the future be administered through the DWP, whilst the administration arrangements for council tax benefit may conversely become more localised. Current arrangements are said by many to be hugely complex and costly to administer, vulnerable to fraud and in some cases deter people from finding work. Government proposals are to provide a welfare system that is easier to administer and to consolidate the range of benefits and tax credits into one universal payment. Any new arrangements are likely to come into force for new claimants by 2013, with a target of migrating all recipients onto it in the first few years of the next Parliament after 2015. This is said to result in the biggest change to the welfare system since the 1940s.

Single Persons Discount Review

7. A review of all Council Tax Single Persons Discounts has been initiated, funded by Essex County Council. All households in receipt of the discount are being contacted. This is about one third of all households in the district. The objective is to identify households that are no longer entitled to receive the discount. It is anticipated that in some cases removal of discounts will result, increasing Council Tax revenues for the precepting authorities.

Improvement East

8. Improvement East has approached the Council to offer further funding to assist with the delivery of efficiency savings as part of the Strategic Solutions Workstreams. Meetings are taking place in November to agree the projects that will attract funding. A report to Full Council in December is to be made.

Procurement

9. The Council withdrew from the Essex Procurement Hub on 30 September. The Procurement Manager has been providing support to services on tendering exercises including Grounds Maintenance and CCTV. A contracts register has been compiled. Corporate electronic solutions that enable spend analysis are being researched. An updated Procurement Strategy will be presented to the Committee in March.

Budget Training for Members

10. Training has been organised for Members, on 29 & 30 November (Conservative & Independent Groups) and 9 December (Liberal Democrat Group). At time of writing less than half of Members had confirmed their attendance. The assistance of Group Leaders would be appreciated on this point in order to maximise attendance. (Members need only attend one session).