

Committee: Finance & Administration

Agenda Item

Date: 27 January 2011

5

Title: Lead Officer's Report

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Item for information

Introduction

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

Transparency

2. The Council has published all payments to suppliers over £500 for the period April to December 2010 and the period April 2009 to March 2010. These are viewable on the Council's website Transparency page (clearly signposted from the homepage). Senior officer remuneration and Members' allowances are also viewable on the Transparency page. Work is underway to enable details of council supplies & services contracts to be published on the website. DCLG officials have stated that UDC is "a model of good practice in terms of making data available to the public".

Revenues & Benefits Partnership

3. The Joint Committee met on 17 January and will meet again in February. Both partners remain committed to establishing a shared service with effect from October 2011. Recruitment of a project manager is underway.

2011/12 Budget & Council Tax Setting

4. This Committee will meet on 8 February to determine its budget proposals for Full Council. Full Council will meet on 24 February to set the budget and council tax. The later date is to accommodate rescheduling of council tax setting by the County Council. The Full Council meeting on 17 February is still going ahead but the reserve date of 22 February has been cancelled.

Procurement

5. Work continues on researching corporate electronic solutions and analysis expenditure to identify opportunities for better procurement. An updated Procurement Strategy will be presented to the Committee in March. Support from Improvement East specialists has been offered, and accepted.

Budget Training for Members

6. Six Members attended a session on 29 November and feedback received was very positive. Due to a low number of confirmed attendees and risk of bad weather the other two sessions were cancelled. The training will be run after the May 2011 election, perhaps as part of Members' induction.

Pension Fund

7. Following the debate by this Committee on 14 December, a formal consultation response was submitted to Essex County Council consistent with the decisions taken. A letter was also sent to the Hutton Pensions Commission which expressed Members' concerns about the situation. Although both this Committee and Performance Select have now examined the issues in some detail and a good understanding of the reasons for the deficit has been gained, it is worth making clear that the problem is not of the Council's making or within its ability to solve. It is a national pension scheme administered locally by the County Council. Actions taken locally only have a modest or peripheral impact. Until decision makers at a national level reform the scheme, UDC has no option but to pay the amounts specified by the Actuary and the County Council Pension Fund Board, and do its best to influence policy making from afar. With regard to the pension fund deficit payments, the Pension Fund Board will meet on 9 March to formally set the funding strategy. Meanwhile, the County Council has informed UDC that it may safely assume that the contributions will be consistent with the consultation response submitted. Accordingly the 2011/12 budget and MTFs will be prepared on this basis.

Benefits Caseload

8. The responsible Division Head reports "Members of the committee have been previously advised that Housing Benefits take up is on the increase as a result of the economic climate. There were 3,479 live claims at 31 March 2008, 3,942 live claims at 31 March 2009 and 4,302 live claims at 31 March 2010. A steady month on month increase has taken place during 2010 and the number of live claims at 31 December 2010 was 4,420. However, during the past two months the number of live claims has stabilised. It will not be clear until the end of January 2011 whether this is a new short term trend, or if claimants have delayed claiming until after the Christmas period.
9. "Profound changes to Housing Benefits are due in April and October 2011. These changes will essentially reduce or cap the amount of benefit paid to some households. The benefits and housing services are already receiving an increased number of customer contacts as people look for associated help and advice. It is anticipated that service demand will further increase over the coming months, with a corresponding increase in the contacts also handled by Customer Services."

Asset Management

10. Work is on schedule to bring a new Asset Register and Asset Management Plan to the March meeting of this Committee.

Single Persons Discount Review

11. A review of all Council Tax Single Persons Discounts is in progress, funded by Essex County Council. The objective is to identify households that are no longer entitled to receive the discount. To date 1,364 accounts have been reviewed and 28 discounts have been removed (2%), which will increase council tax income by £11,000 per year. Based on this hit rate by the time the exercise is complete the increase in council tax yield should be around £80,000, to be divided between the major precepting authorities. Accordingly the share for UDC would be around £8,000.

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