

**RESOURCES COMMITTEE held at COUNCIL OFFICES SAFFRON  
WALDEN at 7.30pm on 23 JUNE 2005**

Present: - Councillor M A Gayler - Chairman,  
Councillors R P Chambers, R T Harris, V J Lelliott, J P Murphy,  
A R Row, M J Savage and P A Wilcock.

Officers in attendance: - V Borges, M Brean, P O'Dell and M Perry.

**RE1 APOLOGIES AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors A Dean, A J Ketteridge and S C Jones.

**RE2 MINUTES**

The minutes of the meeting held on 31 March 2005 were received, confirmed and signed by the Chairman as a correct record.

**RE3 ITEMS REFERRED FROM OTHER COMMITTEES**

**(i) Health and Housing Committee – The Sale of Council Property in High Roding**

The report was introduced to the Committee by the Executive Manager (Finance and Asset Strategy) on behalf of the Executive Manager (Housing Services). He informed the Committee that the Health and Housing Committee had agreed to the sale of The Wards, at High Roding subject to confirmation from this Committee. The report advised Members of a proposal to sell a vacant non-traditional house and to use the receipt on another housing project. He explained that a survey of the property had established that the Council would incur excessive expenditure to retain the cottage in a lettable standard.

In response to a question from Councillor Wilcock the Executive Manager (Finance and Asset Strategy) informed Members that this report had to come to this Committee as the financial procedures require this Committee's approval for asset disposals of any item over £10,000, although such limits were currently being reviewed.

Councillors commented on the limited supply of information to this committee on items that had been referred. They added that if there was a problem items should go to the Scrutiny Committees.

RESOLVED that the Committee confirm the sale of the Wards, High Roding with the appropriate terms and conditions agreed by the Council in accordance with the Council's Standing Orders.

**THREE YEAR FUNDING OF EMERGENCY PLANNING PARTNERSHIP**

The Committee considered the report, which provided an overview of the need to agree funding for 2006/07 and 2007/08 of a three-year partnership with the County Council and other Essex authorities in respect of Emergency Planning partnership working. It informed the Committee that a commitment would need to be given to ensure the Council's participation and to make the whole approach viable for this Council and others.

The Executive Manager (Corporate Governance) informed Members that the Council's current Emergency Planning Officer had left to join Hertfordshire County Council. He said that it was a big loss to the Council and we were very sad to see her leave. But recruitment for a replacement had started and was looking very hopeful. Before she left she recommended that the Council should enter into the partnership due to the Civil Contingencies Act 2004 and the regulations contained within the Act, which become compulsory in October 2005.

The Executive Manager (Corporate Governance) informed Members that a working group had been formed to look at ways that each authority could best comply with the Act. After analysis of the guidance notes the group determined that to achieve compliance each district/unitary authority would need to have 1.5FTE employees for Emergency Planning, who would need to maintain the high levels of Emergency Planning experience and specialist input. The working group agreed that the Essex authorities Emergency Planning Partnership would be the best possible and most financially viable method of achieving the compliance with the Act.

He went on to inform Members of the Council's Revenue Support Grant for 2005/06, which included £18,000 of additional funding for Emergency Planning, which was added to the Emergency Planning budget for 2005/06. He said that a £3,000 saving was made from the overall budget making the overall increase in the budget a net £15,000. In order to join the partnership a three-year annual contribution of £15,000 would be required, this would provide the Council with 50% of an additional post available locally to assist with the programme of work required. He explained that the cost for one year was already within the budget for the service. The cost for the following two years which were not subject to index linking of price increases would require earmarking into the base budgets for 2006/07 and 2007/08. Currently it was unclear whether the Council would continue to receive additional Revenue Support Grant, and that if not the Council would have to proceed with the partnership approach with the amount lost being added to the likely need for corporate savings or being funded from reserves.

Councillor Wilcock questioned where the recruitment for the additional 50% would lie. The Executive Manager (Corporate Governance) informed the Committee that Essex would be recruiting on our behalf.

RESOLVED that the sum of £15,000 is built into the Council's base budget for both the financial year 2006/07 and 2007/08 and that on this

basis the three-year partnership arrangement for Emergency Planning work be approved subject to completion of the necessary documentation.

RE5

## **INTEGRATED CUSTOMER MANAGEMENT**

The Executive Manager (Customer Services) introduced the report, which updated Members with the implementation plan and progress with the Integrated Customer Management (ICM). He explained that the ICM Project Initiation Document (PID) attached to the report defined the project and formed the basis for its management and the assessment for its overall success. The PID was agreed and approved by the Project Board and sets out the overall project plan including the key milestones. The Joint Management Team agreed to establish sub groups led by an Executive Manager for each ICM project stream. The initial meetings of the sub-groups had commenced and had agreed terms of reference.

He then reminded the Committee that in 2004 the Council contracted for the Connect CRM application from MVM. Meetings had been held and work was progressing well. However they recently informed the Council that Northgate Information Solutions had acquired the company and Sx3, the software supplier of the Council's Revenues and Benefits and Housing Systems. He informed the Committee that Northgate had reviewed its product strategy and subsequently decided to focus on its own CRM solution, Front Office. He added that MVM applications would be phased out and Northgate would not support the MVM system after 2008, which could have major cost implications for the Council.

He informed Members that the cost of upgrading from Connect to Front Office was still within the existing budgetary provision for the project and negotiations were still under way. Northgate were aware of the Councils requirement to deliver ICM during August and September 2005 and proposed to deliver up to six processes configured to Uttlesford's specific requirements. Arrangements were also being made to hold demonstrations of Northgate Front Office subject to the finalisation of the contractual arrangements. Officers had recently visited Stevenage Borough Council and Mid-Suffolk District Council to understand the implementation process and understand the changes to customer service delivery. He said that the visits had been very successful and more visits would be arranged.

Councillor Lelliott informed Members that originally Northgate were not interested in a tender for the Council as the organisation was too small and the cost would be greater than our budget. He added that the gradual phasing out of MVM and the loss of system support after 2008 was a cause for concern. He said that the IT Working Group believed that Northgate Front Office was a good deal for the Council.

Councillors asked if there was any further room for negotiation and whether Councillors would be able to attend the visits to other local authorities. In response the Executive Manager (Customer Service) informed Members that

they were currently looking at ways to drive down the costs as part of the negotiations and that Members would be welcome to attend the next visit along with Officers. Members then agreed that two Councillors would attend the visit and commented that it was important that they viewed the system from the customer's perspective.

RESOLVED that the Committee noted the contents of the first progress report of the Integrated Customer Management project and agreed to continue with the process.

RE6

## **FINANCIAL STRATEGY AND BUDGET PROCESS 2006/07**

The Committee considered the report, which provided a brief introduction into the forthcoming budget process for the revenue and capital spending. The Executive Manager (Finance and Asset Strategy) informed Members that the 2006/07 budget setting process had started and was identifying internal and external spending pressures affecting the Council. Service Plan guidelines were also being produced with a view to Committees receiving the information in September. He added that the Final Accounts for 2004/05 were still being finalised and would contain details of the Council's significant level of earmarked reserves but were also likely to indicate that the Financial Management Reserve would continue to run down. Therefore the Financial Management Reserve was unlikely to play a significant role in the budget process for 2006/07.

He said that proposals for the Budget Prioritisation Process developed and used to set the revenue budget for the current year were being refined and proposals for its use would be brought to the next meeting of this Committee. He added that several 'Low' priority services had made significant reductions in their budgets for the current financial year and that there was a view that some services could only save more by reducing the quality of what they provided.

He explained that the broad financial projections for the General Fund budget over the next three years were being worked on but he said that it was clear that with the pension deficit problem to solve and increases in waste management cost, significant savings on the overall budget would be required. This was also reinforced by the emerging requirements of the Annual Efficiency Statement, which would require the Council to save a total of at least £400,000 in cashable terms over the current year and the next two years.

He explained that the medium term projections of the Council's 2005/06 General Fund Budget process included a 4.5% increase in the Council tax and assumed increases of the same percentage for 2006/07 and 2007/08. He added that the 2006/07 budget projection would give a projected surplus on the budget of approximately £64,000, with the 2007/08 budget moving to a deficit of around £90,000. He explained to the Committee that in broad terms the budget was in balance over the next two financial years sustained by two further 4.5% increases if the Government allowed Council tax to increase at

that level. However, it did not include provision for spending pressures listed in the report and any further increase in revenue spending for the two forecast years would need to be funded through external/government funding, increases in charges and reductions in budgets.

He went onto explain the proposed timetable and said that the Executive Management Team would be committing to bring more information at an early stage.

Members commented on the prioritisation process and suggested various ways it could work for the year ahead. The Executive Manager (Finance and Asset Strategy) informed Members that prioritisation was being looked at by the Executive Management Team and that any proposals would be brought back to this committee.

RESOLVED that the Committee:

1. Noted the background to the forthcoming budget setting process.
2. Agreed the timetable outlined in paragraph 14 of the report for the preparation of revenue and capital budgets.

RE7

## **RESOURCES COMMITTEE ANNUAL WORK PROGRAMME**

The Executive Manager (Finance and Asset Strategy) introduced the report, which detailed a list of known reports that would come before this Committee during the year.

RESOLVED that the Committee noted the annual work programme.

The meeting ended at 8:30pm.