

CABINET MEMBER REPORT TO COUNCIL – 26th OCTOBER 2009

CABINET MEMBER: Cllr Michael Lager

CABINET PORTFOLIO: Efficiency & Resources

Portfolio covers:-

- Financial and Treasury Management Strategy
- Asset Management Strategy
- Exchequer (Council Tax and Benefits)
- Business Efficiency Programme
- Business Systems inc. performance
- Procurement Strategy
- Information Technology
- Risk Management/Business Continuity
- HR and Organisational Development
- Health and Safety

REPORT COVERS ACTIVITY DURING PERIOD COMMENCING 22nd SEPTEMBER 2009 AND ENDING 13th OCTOBER 2009

Over the past month the main focus has been on preparing for the 2010-11 budget, tackling financial issues, and offices and operating accommodation.

Cabinet has approved a timetable for the budget consultations, primarily to re-validate our understanding of residents' and customers' priorities.

Cabinet has also agreed a resources planning framework – the MTFS – and a process for balancing the budget over the next two years. Much of the work on redirecting overhead costs into directly paying for front line services has been under way for a while. We are now entering a short period when we need to look at all services and standards on offer as we cannot live within our means without concentrating resources on what residents and customers tell us they want us to do most of all. Where reductions in services or standards are needed, we will ensure that existing users are not left high and dry. This work will be considered at the December Cabinet meeting.

The budget “gap” - what we need to find - is now in the range of £1.2-1.5m over the two years on a budget of £19m (about 7%). Interestingly, the County Council is now seeking to switch £300m of its £1.7bn budget from back office and process costs into front line services (about 18%). Some of this will come from pooling services to achieve scale and resiliency gains, with £113m from contract procurement.

We have learned that recoveries from one of the Iceland banks will probably be less than expected, increasing the loss to just over £1m. We are applying for government consent to charge this to capital.

Contracts have been exchanged for the sale of the former Riverside Pool site in Braintree, subject to planning consent and a contract with the housing association concerned. This delivers 55 affordable dwellings and other accommodation. The buyers have agreed to pay an extra £75k over the previous price. There are signs elsewhere that the property market, residential and commercial, may be near its bottom.

Consideration continues of the optimum configuration of accommodation for the Council's ongoing needs.

FURTHER INFORMATION ON THE CONTENTS OF THIS REPORT CAN BE OBTAINED BY CONTACTING:

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