
OVERVIEW OF EFFICIENCY AND RESOURCES PORTFOLIO

1. Since the last meeting of Council, the following are the main areas of work under my Efficiency and Resources Portfolio.

Treasury Management Annual Report and Outturn Prudential Indicators 2012/13

2. In accordance with the Council's reporting procedures, we have received information regarding the regulation and management of the Council's borrowing, investment and cash flow and seeking approval of outturn Prudential Indicators for 2012/13. The financial year 2012/13, has again presented exceptional circumstances with regard to treasury management and activity during 2012/13 has been carried out in accordance with Council policy and within legal limits. Financing costs have been reduced during the year and a saving of £43,000 achieved from the original Medium Term Financial Plan as a result of a mixture of reduced debt costs both principal and interest arising from the continued reliance on internal borrowing, the timing of capital expenditure and increased income from investments.

Revenue Outturn 2012/13

3. The Council's revenue results for 2012/13 are satisfactory. Cabinet has given its approval to carry forward a number of budget allocations totalling £1.198 million to 2013/14 and, in doing so, there is an increase in the General Fund reserves of £1.650 million from the position used for the 2013/17 Medium Term Financial Plan. Whilst the out-turn is positive and the additional reserves helpful to support the 2013/14 budget and beyond, it does not unfortunately fundamentally change the outlook in the 2013/17 Medium Term Financial Plan. As Members will see from the paragraph below, early detailed work has been undertaken during April and May 2013 to determine whether there is any possibility of reducing the 2013/14 budgets.

Revenue Budget Monitoring 2013/14 – Quarter 1

4. Cabinet has been provided with an early forecast of the 2013/14 revenue budget outturn as part of the Council's continuous financial management processes. Following the positive 2012/13 outturn position, a detailed analysis of budgets has been undertaken and one off and recurring savings of £1.918 million have been identified and moved into reserves. Although we are at a very early stage in the budget monitoring process, pressure of £0.385 million have also been identified. Early indications are that the Council's projected revenue reserves at the end of 2013/14 will be £14.169 million, which is £3.501 million better than the planned position. Departmental reserves are projected to be in deficit by £0.385 million and

corporate reserves in surplus by £3.586 million compared to the 2013-17 Medium Term Financial Plan.

Project Position Statement and Capital Programme Outturn 2012/13

5. Cabinet has received information on the delivery of the Council's Capital Programme, together with the outturn position as at 31st March, 2013, and details of all the live construction projects currently being managed by the Council. The Council has a substantial annual construction programme of work, with the current project position statement showing, at quarter one, that there are 71 live projects currently being managed by the Council with an overall project outturn value of £84.8 million, with the majority of the projects running to time, cost and quality expectations with no foreseeable issues.

Write off of Housing Benefit Overpayments, Non-domestic rates and Council Tax

6. Cabinet has written-off debts, subject to steps for recovery being taken, wherever possible, if and when contact is made in relation to former tenant arrears, Housing and Council Tax Benefit overpayments, Non-Domestic rates and Council Tax.

Social Fund

7. The Crisis Loan and Community Care Grant elements of the national Social Fund Scheme transferred to local authorities from April 2013 and since then the Revenues and Benefits Service has been administering our Local Fund Policy as agreed by Cabinet in November 2012. Access to Crisis Support can be made by telephone or face to face applications at the Town Hall. Community Care Support applications are made by e-forms via the internet and support is available for applicants.
8. For the period April to June 2013, 232 applications for Crisis Support were successful out of 430 with food vouchers and top-ups to gas and electricity meter cards proving most popular. Most of the unsuccessful applications were from individuals who were incorrectly sign-posted to the service by the DWP and this is being addressed. For the same period 79 applications for Community Support were successful out of 102. Furniture, particularly beds and cots have been the most popular items, closely followed by white goods, particularly fridges and freezers closely followed by washing machines.

Management of Charitable Funds

9. Cabinet has examined the current state of a number of active, moribund and ineffective trust funds and their attaching assets which are currently managed and administered by the Council and have agreed a revised approach to their management. The trust funds will be transferred to a Darlington Fund, managed by County Durham Community Foundation (CDCF) and will result in a number of benefits.

Land at Faverdale East Business Park

10. Cabinet has agreed to dispose of land on Faverdale East Business Park to enable a manufacturing company to expand its operations in Darlington. In enabling the company to expand, local jobs will be safeguarded and additional jobs created.

Stressholme Golf Course

11. Stressholme Golf Course was transferred to Blackwell Grange Golf Club (BGGC) on 1 July 2013 and early indications are that the transition has been successful. In return the Council has acquired the freehold element of the former BGGC course and accepted the surrender of the lease on the other part of the course around Blackwell Grange Hotel.

Department for Education

12. The extension to the Town Hall to house DfE staff from the Mowden Hall site is progressing well. A signed deal is expected in September 2013 coinciding with the closure of the 'Old' Town Hall car park and the start of the archaeology works. The archaeology works are expected to last 8-12 weeks which will then lead into the start of the 52 week build programme. The extension is expected to be complete in November 2014.

Procurement Plan Update

13. In accordance with Contract Procedure Rules, Cabinet has considered the Procurement Plan and determined, again, in accordance with criteria, which contracts for the forthcoming year shall be delegated to the Officers and which are deemed to be strategic. Subsequent contracts will necessitate a revised Plan being brought to Cabinet.

Councillor Stephen Harker
Cabinet Member with Efficiency and Resources Portfolio