
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 :-
 - (a) **ICT Architecture** – We have released £400,000 of corporate capital funding for the detailed design, procurement and implementation of a number of ICT architecture proposals which, combined together, will provide a strong and flexible strategic architecture and services on which the Council can base its future. The projects are being delivered for the Council by Xentrall ICT Services, with the aim of increasing service resilience, availability and flexibility, and in many cases realising efficiency savings. In view of the need for flexibility within the schemes, we have given, to the Director of Corporate Services, in consultation with myself, delegated power to vary the proposals within the existing budget.
 - (b) **The Denes – Successful Heritage Lottery Fund Award** – We have also released the Heritage Lottery Fund Capital Award of £818,992 to undertake improvements to the Denes. Members will recall that, following the successful approval of the stage 1 and stage 2 bids to the ‘Parks and People’ Heritage Lottery Fund, a capital grant of £818,992 and £59,508 revenue has been allocated to the Council to undertake improvements across all six Denes. The Denes project aims to fulfil the needs and aspirations of existing and future residents, both locally and town-wide, by restoring the parks historic, environmental and social value, improving the visitor experience by improving access, personal security, educational pleasure and play activities.
 - (c) **Proposed Write-off of Irrecoverable Non-domestic Rates and Council Tax** - During 209/10, the Council has sustained a high level of success in collecting local taxes during a challenging year. 97 per cent of the Council Tax due during 2009/10 has been collected and, in addition, £0.407 million of Council Tax arrears from previous years has also been collected, giving a total collection rate of 98.4 per cent. In-year collection of non-domestic rates is 98.2 per cent. Cabinet have given approval to write off debts that, despite a number of steps being undertaken, are deemed irrecoverable.
 - (d) **Irrecoverable Sundry Debts – Proposed Write-Off** - Cabinet agreed to write off sundry debtor arrears in respect of invoices with individual values greater than £500 that are considered to be irrecoverable. It was also reported to Cabinet those sundry debts with individual values less than £500 that have been written off by Officers under delegated powers. The Council and Xentrall Shared Services continually work together on debt collection to minimise loss of income by speeding up collection time and reduce the need for invoicing debt by maximising ‘up front’ payment for services wherever possible. We are however, obliged to provide some services that cannot be

withheld prior to payment.

- (e) **Land Adjacent St Andrew's Church, Haughton** – We have approved, in principle, a proposal by the Haughton Residents Association and St. Andrew's Church to create a Memorial Garden and car parking on the former St. Andrew's School site on Haughton Road. This proposal has been explored over the last few years and, in partnership with Groundwork North East, a scheme for the land has now been designed and an application for 'Community Spaces' funding for the Big Lottery Fund is being progressed. To satisfy part of the funding application process, we have also agreed to sign the 'landowners permission' form stating that the Council agrees with the planned project and is willing to permit the required level of public access for the asset monitoring period, of five years and, the Director of Corporate Services, in consultation with myself, have authorisation to negotiate and agree terms for the use of the land.
- (f) **Appointment of Organisations to the Framework Agreement for Provision of Works for Contractors** - We have agreed to appoint a number of organisations to a Framework Agreement for the Provision of Works for Contractors. The use of the Framework Agreement is deemed the most appropriate in order to provide flexibility in pricing works for clients and meeting operational requirements when awarding work.
- (g) **Treasury Management Annual Report and Outturn Prudential Indicators 2009/10** – 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 2009/10. The financial year 2009/10, has again presented exceptional circumstances with regard to treasury management and activity during 2009/10 has been carried out in accordance with Council policy and within legal limits. The Council, in the early part of 2009/10, reduced its overall external debt by using investments to repay debt, and external debt and investments were both reduced by £23.4 million during May and June 2009, with external debt not increasing since then and a resultant net reduction in financing costs with significant savings to the revenue budget. Financing costs had been reduced during the year and a saving of £1.091 million had been achieved from the original Medium-Term Financial Plan as a result of a number of actions taken throughout the year to manage the financing costs in the changing economic climate.
- (h) **Contract Procedure Rules** – We have recommended to Council a number of changes to the Council's Procedure Rules. The Council has, since the adoption of the revised Contract Procedure Rules in 2008, continuously revised and implemented changes to the Contract Procedure Rules in relation to procurement practices, however, the implementation of the Public Contract (Amendment) Regulations 2009, has necessitated further changes to ensure compliance with this Act. The opportunity has also been taken to make further amendments at this time to make the Contract Procedure Rules clearer and more easily understandable to those involved in procurement activity.
- (i) **Annual Review of Significant Partnerships 2009/10** – In accordance with the requirements of the Audit Commission, Officers have undertaken the fourth annual

review of its significant partnerships using the partnership toolkit previously approved by Cabinet in 2007. The toolkit was adopted to demonstrate fulfilment of the Council's responsibilities in relation to its partnership arrangements and provides a means to record the performance and ensure that adequate governance arrangements are in place. Through this toolkit, the Council has an award winning approach to monitoring the significant partnerships it is involved with and, as a result, there are good governance arrangements in place and the partnerships are delivering well against their objectives. The toolkit has also been effective in identifying high level concerns of the significant partnerships, the most of common of which is resourcing and we have noted the actions being taken to address these concerns.

- (j) **Complaints Unit Progress and Annual Complaints Reports** – Following the introduction of the new Corporate Complaints procedure in 2009, we have received the first annual report of the work the Corporate Complaints Unit for the period 1st April to 30th March, 2010, together with the Adult and Children's Social Care Complaints, Compliments and Comments Annual Report for the same period. A number of improvements have been made in relation to the Council's complaints handling arrangements and this has driven down the costs associated with complaints handling and resolution.
- (k) **Regulation of Investigatory Powers Arrangements** – In light of a recent inspection by the Surveillance Commissioner in April 2010, a review of the Council's current arrangements in relation to its powers under the Regulation of Investigatory Powers Act 2000, has been undertaken. A further review will be undertaken in October 2010, to ensure that all the recommendations have been addressed.
- (l) **Capital Programme Outturn 2009/10** – Cabinet have been advised on the wide variety capital improvements undertaken throughout the Borough during 2009/10, with a total capital spend of £39.4 million.
- (m) **Revenue Outturn 2009/10** – The Council's 2009/10 Revenue Accounts are close to being finalised, subject to audit. Overall results are satisfactory. The General Fund reserves balance at the end of March was £12.1million, which is £549,000 better than the current Medium-term Financial Plan and an improvement of £5 million from the original plan for 2009/10.
- (n) **Project Position Statement and Capital Programme Monitoring Quarter One 2010/11** – We have received information on the current position of the Council's capital commitments and resources, all the live construction projects currently being delivered and a list of the schemes with an outturn of less than £1 million which are now complete.
- (o) **Revenue Budget Monitoring 2010/11 – Quarter 1** – We have considered the current position of the revenue budget as part of the Council's continuous financial management processes. The Council's financial results, as previously reported, are satisfactory, with an increase in resources being carried forward, however, there are some pressures on the 2010/11 budget in Children's Services and Community Services.

I have also continued to have briefing meetings with Lead Officers in the Corporate Services Department.

Councillor Chris McEwan
Cabinet Member with Efficiency and Resources Portfolio