

RESOURCES SCRUTINY COMMITTEE

FRIDAY 27TH JANUARY 2005

REVENUE BUDGET 2006/07

Growth

i) Corporate Change Management

The additional growth would be to increase capacity in the Financial Services Section to enable it to meet increased work pressures including support to the projects arising from the Corporate Change Management Programme.

ii) Corporate Asset Management Planning

The additional resources were required to meet the cost of developing the County Council's approach to Asset Management. A report on the Corporate Asset Management Strategy would be submitted to the Cabinet in the next few weeks. Linked to this would be a review of the Property Services Function. The growth proposals should be seen as an "Invest to Save" project. These growth proposals, together with the additional capacity in the Education Department Property Service were also a response to the findings of the Scrutiny Review Panel on the Management of the Capital Programme.

The Committee emphasised the need to ensure that the review addressed the need to secure a rapid response on minor projects.

iii) ESPO

The sum included assumes a loss of rental income for a year. However, discussions are in hand with the University Hospitals of Leicester Trust about the possible utilisation of the site. The Committee urged the Cabinet to take steps to explore other potential uses for the site should the UHL Trust decide not to proceed.

[Note: The Capital Programme includes separate provision for potential compensation to ESPO for development it had undertaken on the site.]

iv) Energy Cost

The County Council, like other organisations, is facing increased costs on gas and electricity. The County Council was taking steps to ensure that energy efficiency measures were put in place to reduce the impact of these price rises.

[Note: The Committee agreed to establish a Review Panel to undertake an energy audit and to consider whether additional savings could be made including through alternative procurement strategies.]

Savings

v) Remote Security Monitoring of County Hall

Proposals for development of remote monitoring were intended to make security on the site more effective. The savings will arise in staffing costs as a result of remote monitoring. One member of staff will be made redundant and four vacant posts will not be filled. An Action Plan had recently been agreed by the Employment Committee.

vi) Industrial Properties

The surpluses arising from the Industrial Properties portfolio would now be used to support mainstream priority programmes. Future investments in Industrial Properties would be undertaken utilising 'prudential borrowing' based on a business case had been made for the investment.

[Note: Provision of £1million had been made in the 2007/08 Capital Programme for investments in Industrial Properties.]

vii) Job Evaluation Appeal

The Committee requested that further information be made available to the Commission relating to the legal cost of pursuing the appeal.

CAPITAL PROGRAMME 2006/07 AND 2008/09

viii) ICT Services

The provision is to complete certain schemes as well as review how ICT services can be structured to help deliver the Corporate Change Agenda. Another key investment priority would be to enhance the current disaster recovery facility given the heavy reliance of frontline services on ICT services and infrastructure. A report on the process of determining the basis of ICT investment priorities would be submitted to the Committee in due course.

ix) County Farms Estate

The provision would be to undertake effluent containment and disposal facilities at various farms. Such investments would enable the disposal of farm buildings.

x) Corporate DDA

This would enable the continuation of the rolling programme of making buildings accessible for disabled people. A disability access officer had been employed to survey and audit County Council properties to assess investment priorities. Currently it was estimated that 75% of buildings were accessible.

xi) Wigston Day Centre

The proposals for the site envisaged the development of a respite care unit (relocated from Waterlees) and the redevelopment of the remainder of the site as industrial units.

xii) Car Park Security

With the likely introduction of car park charges on the adjoining Glenfield hospital site it was proposed to introduce new arrangements to prevent unauthorised use of the County Hall Car Park. To that end a new security system would be put in place which would include Automatic Number Plate Registration System.

xiii) Funding of the Capital Programme

Some members expressed concern that a significant proportion of the Capital Programme was not funded by the Government and that this would have long term implications for the revenue budget, in addition to inevitable implications of capital programme developments on revenue provision.

MEDIUM TERM

The Committee noted that the report to the Cabinet on 13th February on the budget proposals would also provide an overview of the financial plan for the coming 2-3 years. Some of the key issues that would feature in the Medium Term Plan were referred to in paragraph 66 – 71 of the report which was considered by the Cabinet on 12th January.

OVERALL POSITION

The Committee noted without comment the overall position.

DECISION

That the proposed Revenue Budget 2006/07 and Capital Programme 2006/07 to 2008/09 be noted and the comments now made be forwarded to the Scrutiny Commission.