

Report of:	To:	Date	Item No.
Cllr Alan Vincent, Resources Portfolio Holder and Deputy Leader	Council	19 July 2018	7(b)

Executive Report: Resources Portfolio Holder

1. Purpose of report

- 1.1** To inform Council of progress on key objectives and the current position on issues within the Resources Portfolio, as set out below.

2. Finance

- 2.1** The final accounts for 2017/18 have now been audited and will be agreed by the Audit Committee at their meeting on 24 July. Revenue slippage continues to grow year on year and in relation to 2017/18 the value (net of reserve funding) is £1,260,900. As this expenditure still needs to be incurred, the saving is returned to balances to be spent in 2018/19 resulting in a contribution to balances of £1,260,900.

- 2.2** In summary, the other major variations include:

- **additional income** from planning fees and new burdens grant, summons fees, service charges, Enterprise Zone business rates and interest totals £252,466;
- **savings** in employee costs, fuel, vehicles, waste collection, cemeteries, theatres, planning consultants, audit, risk and insurance, business rates, tools and equipment, public conveniences and printing and stationery budgets total £609,244.

- 2.3** These positive variances have been used to compensate for **reduced income** on Rent Allowances – in total unbudgeted costs of £141,044. The net savings of £720,666 together with other miscellaneous underspends of £161,649 and the previously forecast top-up to general balances of £1,308,956 have been used instead to top-up the Capital Investment Reserve by £184,260, the IT Reserve by £92,011 and the Vehicle Replacement Reserve by £1,915,000 leaving a difference of £48,056 which represents a reduced top-up to balances. This approach is a change to the forecast position in March and reflects a need to provide for the anticipated cost of new refuse collection vehicles in April 2019.

- 2.4** When you consider that our gross expenditure on services for last year was £54m, a net saving of £2,191,271 equates to 4.1%.

2.5 The Council previously committed to a sector-led body approach for the appointment of its external auditors from 2018/19. The Local Government Association established an independent company, Public Sector Audit Appointments Ltd, to take on the management of the external audit contracts for local public bodies following the closure of the Audit Commission. The Audit Committee in July will be the last one attended by KPMG under the old contract and the first attended by Deloitte LLP under the new five-year contract. We thank KPMG for all their support over the years and welcome our new external auditors to Wyre and we look forward to working with them.

3. Human Resources

3.1 Our sickness absence for the year ended 31 March 2018 was 7.8 days per full time equivalent post (FTE). A number of serious long term health absences have contributed to the increased level of sickness. The lowest sickness absence for a council in Lancashire was 6.4 days and the highest was 13.3 days. Although 7.8 days is an increase on the previous year's absence rate of 6.99, we are still one of the top performing Council's in the region with the 6th lowest rate in the North West and 2nd lowest in Lancashire. We are in the process of renewing the contract with People Asset Management, our occupational health provider, and will continue to work closely with them to support employees and maintain a low level of sickness absence.

4. Comments and questions

4.1 In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 10.5.