

REPORT OF THE CABINET MEMBER FOR FINANCE & PROPERTY

KEY ISSUES AND ACTIVITIES

Purpose of the Report

1. I am pleased to present the key issues and activities as Portfolio Holder for Finance & Property, since the last report to Council.

FINANCE

Period 10 Budget Monitoring Update

2. As reported in the Quarterly Financial Monitoring Report, the authority is predicting a revenue underspend in the current financial year. This will be used to offset costs of redundancies and ensure that the planned use of balances is minimised. Carry forward proposals are currently being considered by departments and requests will be submitted to Cabinet after the end of the financial year, once final spend is known. As recommended in the Annual Budget Report to February Council, a reserve will also be created for cultural capital projects depending on the final outturn.
3. The capital programme continues to be monitored with concerted efforts to complete schemes within the financial year and minimise slippage. Funding of the capital programme through borrowing and capital receipts is also monitored and the budgeted receipts from property sales are on target to be achieved.

Business Management System (BMS)

4. The implementation of BMS has presented challenges to financial operations within the Council. In particular, efforts have been concentrated in resolving a backlog within Accounts Payable. Whilst issues with the Budgeting and Forecasting process have also been raised, and will be addressed, the key priority is ensuring adequate preparations are made to ensure year end procedures run smoothly, and the Council's statutory duty to produce a Statement of Accounts is met.

Financial Management Action Plan and Restructure

5. The Service Director – Finance and Procurement is progressing the restructure of the Council's Finance Service. The formal consultation period will be completed by the end of March and it is anticipated that the Senior Management posts will be recruited to in April. Later in the year the Finance staff will be relocated to the 4th floor, County Hall.

PROPERTY

- 6, During the period 17 January 2012 to 6 March 2012 inclusive there were 7 Property Pre-Agenda Meetings at which 31 reports were considered and went on to be approved.
7. The following Capital projects are on site:
 - The Data Centre structural upgrade is nearing completion. Machine Room 2 is now complete and works on the final phase are underway
 - At Carlton Digby Special School internal works are underway.
 - The Chuter Ede (Fernwood) Primary School has just commenced site set up.
 - The West Bridgford Library refurbishment is underway with demolitions and initial groundworks.
 - The Bassetlaw Specialist Facility has been gutted in readiness for the restructuring to commence.
 - At the Barncroft Day Centre the internal restructuring is underway.
 - At the Red Oaks Day Centre the Horticultural building works are complete and the Day Centre restructuring works has just commenced.
 - The Mansfield bus station contractor is now on site and work is progressing to plan.
8. Work continues at the National Water Sports Centre on the fire remedial and asbestos removal works.
9. Design work on the other projects within the Day Centre programme of works continues to schedule.
10. Options for the Worksop bus station continue to be evaluated.
11. The School Refurbishment Programme Year 1 is progressing well; the decision on the Priority School Building Programme is still awaited from the DFE, which will affect the completion of year 1 programme. The initial 3 year programme has now been revisited and is now a 5 year programme taking into account the revised budget funding. Design briefs for year 2 are due to be completed by the end of March 2012 with Design commencing immediately to achieve some installations during the summer months. Some fast tracked projects (roofing and windows replacement) have been brought forward from the year 2 programme.
12. The project for the replacement Children's respite centre at Edwinstowe is in detailed design. Negotiations with the other landowners over access requirements continue to make progress.

ICT SERVICES

13. The data centre refurbishment programme is nearing finalisation with both of the machine rooms now completed and available for use. The programme has delivered a new structural steel framework for the data centre building, modern air conditioning and cooling, upgraded and more resilient power supplies and fit for purpose racking to house the ICT equipment. The final phase is to refurbish the office area and this will be completed during April 2012.

14. A range of new Microsoft technologies have been implemented as a pilot project, ahead of the wider roll-out as part of the Ways of Working Programme. Pilot users are now accessing the Microsoft Windows 7 operating system and are using the Office 2010 software. They are also using the new IP telephony solution (which runs the telephone system over the same data network as the computers) and the Microsoft Lync system which provides a range of communication tools (instant messaging, telephone conferencing, video conferencing). Some planning and design work is also currently being undertaken to support the migration from Lotus Domino e-mail to Microsoft Exchange e-mail which is planned for the first half of the new financial year.
15. A supplier has recently been appointed to provide the County Council with “pay to use” print solutions which are used in libraries and some other public buildings, enabling the public to access and pay for printed and photocopied documents. This is part of the one council approach to having common solutions. There will be a similar procurement exercise for corporate print solutions.

PROCUREMENT

16. The Procurement Centre is undertaking work across the Council and has contributed to the delivery of procurement savings worth £4.9m so far in this financial year.
17. During the past 2 months the Supplies and Services team has awarded the following contracts: Libraries Self Service Print Solution, Bilsthorpe Mobile Signal Pilot and Country Parks Radio System. The Team has also awarded contracts for Highways Surface Dressing, which has £1.2m contract value and Provision of Maintenance, Supply and Installation of Traffic Signal Equipment with an annual total of £160K.
18. The team has facilitated a number of successful projects resulting in further savings to the authority. These include renegotiation of price increases on food and beverages with a cost avoidance saving of £65,000. In addition the procurement team has saved over £142K with the analysis of past water bills and tariff.
19. During the next month the team will be working on a Centralised Post Room Functions, Bus Shelters, Traffic Signal Controllers, Bridge Painting Services and Culvert Lining Services with a contract value of £60K. Procurement will be also in the process of awarding contracts for Display Energy Certificates (DECs) and Advisory Reports (ARs), Mobility Accessible Diesel Vehicle, Local Bus Framework and Special Transport Services.
20. The team also continue to support the key projects for the National Water Sports Centre, Project Titan (Transportation Service), Highway Term Maintenance and Sherwood Forest Visitors Centre.
21. The Care team is currently working on outsourcing Direct Services Supported Living which has an estimated saving £455,000 over 3 years, domestic violence service contracts worth £700,000 and also Extra Care Housing contract which is an innovative approach for an independent living. The team is starting to work on Homelessness Prevention Services, including Vulnerable Adults service and Mental Health Support Services.

22. The Care team has awarded a contract for Substance Misuse Assessment and Intervention Service in Clayfields House Secure Children's Home. For the Flexible Short Breaks Scheme (FSBS) and Disabled Children's Access to Childcare (DCATCH) for Disabled Children project, team has awarded contracts to seven new providers which will give children and parents more choice of how to use their short breaks

COUNTY SUPPLIES

Financial

23. Financial position, based on Period 11 Budget Monitoring position, adverse by £65K; though budget forecast based on Trading Account position is at budget. Actual Sales turnover for the year to end of February is down on forecasted sales by 3.5%, though it is above last year by 1%. The outturn forecast is to budget.

Operational

24. Delivery performance is holding up well, with Routine delivery (annual cumulative 95% within 3 days) at 91.4% and Next Day (annual, cumulative, over 50% next day) at 57.5% at end of Period 11.

WAYS OF WORKING

25. Fire protection improvements have been completed in Trent Bridge House; this included refurbishment of the main lifts. Additionally, the main lift at County Hall has been refurbished to improve its reliability. Works to refurbish the small lift at County Hall are scheduled to commence before the end of March.
26. The contractor's compound is being established at both buildings. In each case this includes site cabins, hoarding and an external hoist to enable materials to be lifted in and out of each building.
27. The main works are scheduled to commence formally and start dates have been agreed as 26 March for County Hall and 10 April for Trent Bridge House. Following surveys to determine the presence of asbestos the initial works will comprise asbestos removal on Floor 4 of County Hall and Floors 8 and 9 at Trent Bridge House.

**COUNCILLOR REG ADAIR
CABINET MEMBER FOR FINANCE AND PROPERTY**