

Overview Select Committee (OSC) Finance Task Group – 2014/15 Period 9

2nd March 2015, 9.30am

Room 4.07 City Hall

Present:

Cllr Baljit Singh, Chair of Task Group

Alison Greenhill, Director of Finance

Alistair Cullen, Principal Accountant

Apologies:

City Mayor

Deputy City Mayor

Please note – actions from the meeting are noted in text and listed at the end of the minutes

1. Revenue Monitoring Report

- 1.1. Cllr Singh acknowledged the recommendations in the report and Alison Greenhill explained that the Market Income reserve was designed to offset the loss in income anticipated as a result of the Council's scheme for improving the market facilities.
- 1.2. Alison Greenhill confirmed that progress has been made on reducing spending pressures since Period 6, turning a moderate forecast overspend into a small underspend. This is in part due to being able to reduce the level of budgetary provisions set aside as part of contingency planning as the year moves on.
- 1.3. Cllr Singh enquired about the holding of vacancies in Customer Services. Alison Greenhill explained that vacancies had arisen and that management focus has been on reviewing and refining systems and processes for customer access, rather than just increasing staff. For example, resources have been put into 'channel shift' to increase the availability of online or telephone services, which will therefore reduce the demand on face-to-face contacts (these being the most expensive form of contact for the Council). Online or telephone services are also more convenient for many residents who may not wish to come into the city centre.
- 1.4. Alison Greenhill confirmed that resources were being added to customer services to support particular needs such as electoral registration, but permanent appointments to the team were being held as part of the efforts to redesign the service and focus face-to-face resources on those who most need them.
- 1.5. Cllr Singh enquired about the Finance division's savings targets and the Business Service Centre's contribution to these. Alison Greenhill outlined that whilst there were initiatives to improve income and debt collection, such as the new legal debt recovery process, the majority of savings were driven by staffing changes.
- 1.6. Cllr Singh enquired about the Information Services division. Alison Greenhill outlined that budget pressures had become apparent in the area on top of the savings target that had been set as part

of the savings review process. She explained that IT was not part of the £3.9m Corporate Resources review, but had its own £2.5m savings target to be achieved through procurement savings as well as staff structures.

- 1.7. Cllr Singh enquired about the underspend in the Delivery, Communications & Political Governance division. Alison Greenhill explained that these vacancies were held deliberately to achieve savings targets in advance and avoid recruiting people to vulnerable posts. The structure of the service has been continually updated as staff leave or move roles.
- 1.8. Cllr Singh raised the issue of the Voluntary and Community Sector savings target. Cllr Singh outlined that it would be in the interests of all parties if the issues in this area could be resolved quickly.
- 1.9. Alison Greenhill confirmed that the saving in Legal Services is an early delivery of savings required in 2015/16 as a result of staffing changes. She also confirmed that the City Barrister has no jurisdiction to make significant changes to the management of costs in the Coroner's office.
- 1.10. Cllr Singh queries whether savings on vehicle replacement were likely to lead to higher maintenance costs. Alison Greenhill outlined that the Council's fleet maintenance was currently carried out to a very high standard and that whilst this delivered an exceptionally well-maintained fleet, it did offer some scope for reducing spend without compromising fleet quality.
- 1.11. Cllr Singh enquired about the costs of additional Deprivation of Liberty Safeguards requirements raised in the report and requested some additional information on the number of additional cases and the cost impact of these (ACTION). Alison Greenhill also explained that residential care costs were the subject to review by the Interim Director of Adult Social Care.
- 1.12. Alison Greenhill outlined that the Adult Care Service was intending to use their reserves of £3.2m to support their budget position in 2014/15, and that the one-off income related to the closure of the Connexions company would go into general reserves to help manage the Council's future position.

2. Capital monitoring report

- 2.1. Alison Greenhill confirmed that the funds available to support the capital programme form part of the Council's treasury management portfolio until such time as they are required to support actual spending, and that interest earned on these investments forms part of the revenue budget under the 'Capital Financing' line.
- 2.2. Alison Greenhill confirmed that capital receipts received in the year would support future years' capital budgets. She outlined that the Council's property assets were being reviewed on an ongoing basis to maximise value whilst also releasing resources for priority investments. Cllr Singh noted that he would like to see further information on the overall strategy that guides decisions on asset disposals provided for scrutiny.

3. Actions

- 3.1. Alistair Cullen to provide information on demographic modelling of adult care demand.