

COUNTY COUNCIL MEETING – 16 MAY 2014

Statement from: Councillor M J Hill OBE– Leader and Executive Councillor for Policy, Finance, Property, Communications, Procurement and Commissioning

Finance Matters

Outturn of Accounts and Financial Statements for year ended 31st March 2014

Work is presently underway to finalise the outturn position for the Council's budgets for last year. Based on budget monitoring reports, this is likely to show an underspend on the revenue budget for the year. The detail will be considered by the Executive at its meeting on July and recommendations on the treatment of under and overspends will come to the September meeting of the Council for approval. The draft financial statements of the Council will be scrutinised by the Audit Committee in early July prior to their review by the external auditors. The auditors will report upon their opinion on the accounts to the September meeting of the Audit Committee.

Insourcing of the Accountancy Service from Mouchel

On 1st April 2014 around 40 members of the Mouchel accountancy team transferred their employment back to the County Council as a consequence of decisions taken under the Future Delivery of Support Services programme. This will allow the Council greater flexibility to remodel the service to its future needs as it develops the commissioning council model. The team will remain in Mill House until later in the year when it is envisaged they will relocate into Council premises. All transferees will go through the formal County Council induction programme and receive other training relevant to their roles. The service will be formally integrated with the Council's own resources later in the year as part of Council-wide restructurings likely to take place prior to April 2015.

Future Delivery of Support Services Programme – Replacement of SAP

The award of the contract for corporate support services, including finance, to Serco also includes the replacement, from April 2015, of the Council's corporate finance and people management system SAP with a new system called Agresso. Agresso is a proven and tried system in local government being presently used by over 100 local authorities. A project team has been established to deliver the resource intensive and demanding target of switching to Agresso in just 12 months. Resources from Serco, the system suppliers (a company called Unit 4), Mouchel and the Council have commenced work to ensure the transition takes place as smoothly as possible. The move to Agresso will result in significant transformation of the business processes used by the Council and will require a significant element of cultural change in the way users interface with the system as new processes incorporate significant elements of self service.

Corporate Property Rationalisation Programme

Capital receipts from the sales of surplus land and buildings for 2013/14 were £3.2m against a target of £2.0m.

A planning application will be submitted for the development of the Eastgate Centre, Eastgate, Sleaford. If successful, a fire and rescue station, central library store and office accommodation will be provided on one site. This will become the new main LCC Sleaford base for staff and allow for an improved, round-the-clock Fire and Rescue Service. It will also release land to allow a local business to expand.

Some services, for example the Registration Service, will relocate to the North Kesteven District Council offices in Sleaford. This will build upon the existing single customer access point, providing more convenient access to our services for the public.

Procurement

Meet the Buyer Event

Procurement Lincolnshire's annual Meet the Buyer Event took place at The Showroom on Tritton Road on 25 March 2014. The event, which was chaired by Simon Beardsley, Chief Executive of Lincolnshire Chamber of Commerce, attracted over 200 exhibitors and suppliers, making this a very successful event. Exhibitors at previous events have involved only public sector suppliers but this year the exhibitor base included both public and private sector, with local suppliers Siemens, Kier, Glendale and Tomlinson all having a presence. Speakers on the day included Cllr Davies, (Lincolnshire County Council), Angela Andrews, (Director of Resources, City of Lincoln Council), Mark Godfrey, (Manufacturing Advisory Service), and Paul Savides, (Procurement Manager, Siemens).

Lincolnshire Category Analysis Tool, (LCAT) East Midland implementation

The LCAT tool project (used to identify and analyse supplier expenditure), continues with resources currently allocated which will allow for the identification of small and medium suppliers and charitable organisations. Discussions have been held with ESPO who are providing funding to support these developments. We have also been approached by the Central Buying Consortium who are interested in using LCAT as a spend analysis platform – leading to a review to understand how LCAT could be traded as a service to other organisations outside of the East Midlands.

Savings

Cumulative savings, calculated from when the shared service started in 2008 to date, total in the region of £26 million.