

COUNTY COUNCIL MEETING – 20 FEBRUARY 2015

Statement from: Councillor M S Jones – Executive Councillor for Finance and Property

Finance Matters

Revenue Budget & Capital Programme 2015/16

This topic is covered in great detail both within the full budget report before the Council today and in my budget speech.

I have summarised below the key issues we raised in our formal response to the DCLG on the provisional grant settlement:

- The continual use of the 'spending power' concept to mask the true reduction in local government funding is disingenuous and therefore unacceptable, as it includes funding streams like the Better Care Fund that are, in fact, health service funding streams.
- Whilst additional funding for rural councils is most welcome, it does not yet come near reflecting the additional costs incurred and is not yet a permanent feature of the funding regime.
- The ongoing funding of New Homes Bonus by simply top-slicing revenue support grant rather than through additional money is disappointing.
- The withdrawal of additional funding for Local Welfare provision is not acceptable and to simply notionally allocate a portion of existing revenue support grant to the activities is not an acceptable alternative. The future of the service will be in doubt if no additional funding is provided.

Corporate Property Rationalisation Programme

Corporate Property continues to make better use of the office estate with the continued implementation of the Rationalisation Programme.

The Programme is on target for moving staff out of City Hall by June 2015, with employees being relocated to Witham Park and Crown House.

Crown House was a successful strategic acquisition that has directly contributed towards releasing expensive leasehold accommodation. Renovations are nearly complete and, in the short term, the building will be used as flexible office space. In the long term, it presents this authority with the un-paralleled opportunity to shape Lincoln's cultural quarter.

As well as creating opportunities and relinquishing expensive leasehold properties, Corporate Property are also working to make the existing office estate more efficient. This, in turn, means that further leasehold properties can be released in the future.

One example of this is the reconfiguration of Orchard House Level 5 (in Lincoln), where walls are being removed to allow more staff to use the floor as a flexible office base.

This ongoing activity will culminate in savings of £500k in the financial year of 2016/17 and will achieve a total of £755,000 by 2018/19. This directly contributes towards the Fundamental Budget Review savings that are required to be met by the service.