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MEETING	EXECUTIVE MEMBER FOR CORPORATE SERVICES AND ADVISORY PANEL
DATE	9 DECEMBER 2008
PRESENT	COUNCILLORS HEALEY (CHAIR), MOORE (EXECUTIVE MEMBER), PIERCE (VICE-CHAIR), FIRTH AND GUNNELL

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## **28. DECLARATIONS OF INTEREST**

Members were invited to declare at this point in the meeting any personal or prejudicial interests they might have in the business on the agenda. No interests were declared.

## **29. MINUTES**

RESOLVED: That the minutes of the meeting held on 21 October 2008 be approved and signed by the Chair and Executive Member as a correct record.

## **30. PUBLIC PARTICIPATION**

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

## **31. FORWARD PLAN UPDATE**

Members received an update on the Resources Directorate items currently listed on the Forward Plan.

An update was given on the progress of the Conservative Budget Review and the Corporate Efficiency Programme.

## **32. RESOURCES DIRECTORATE MONITOR 2 PERFORMANCE AND FINANCE REPORT - 2008/09**

Members considered a report on performance and financial information for the Resources Directorate for Monitor 2, 2008/09. The report included:

- A budget overview covering both revenue and capital budgets
- An overview of key Directorate performance indicators
- Information in relation to progress against Directorate priorities

The revised format of the report reflected the changes that were being implemented to improve the quality and consistency of financial reporting.

It was noted that, based on the second review to 31 October 2008, the projected outturn position for the Resources Directorate for 2008/09 was an underspend of £421k. An underspend in IT had contributed significantly to this figure. Technical integration work in respect of the Social Care System replacement programme was now being undertaken in-house rather than by a third party and had resulted in substantially reduced costs. Resourcing implications within Directorates had resulted in a number of IT development projects either not being completed within year as planned or being deferred completely until 2009/10. An underspend of £48k had resulted from the Single Assessment Process being deferred because the Directorate did not have the resources to implement the project in year. This was a joint project between Adult Social Services and the Primary Care Trust.

Consideration was given to the progress against the detailed Directorate Priorities:

- The Resources Restructure had recently been agreed by the Staffing Matters and Urgency Committee.
- Good progress was being made in respect of the Financial Management System replacement. The implementation date would be 1 April 2009. Members asked if the new system would run alongside the old system for a period of time to ensure that a back-up was in place if problems arose. Officers explained that the existing system would continue for the purpose of the closing of accounts for the 2008/09 financial year. All transactions for the 2009/10 financial year onwards would be on the new system only. The new system would be well tested prior to its implementation and no problems were envisaged.
- Northgate Kendrick Ash had been appointed as Performance Partner. This was a three-year contract but payment was subject to targets being achieved. A report would be going to the Executive outlining the process and a three-month scoping study would commence in January 2009.
- Good progress was being made in relation to responding to previous Auditor comments regarding the completion of the final accounts.

#### Advice of the Advisory Panel

That the Executive Member be advised:

- (i) That the current financial situation be noted.
- (ii) That Officers be thanked for the work that has been carried out.
- (iii) That departments bidding for IT developments be urged to ensure that they have the necessary resources in place to work with the IT department to support the successful and timely implementation of projects.

Decision of the Executive Member

That the advice of the Advisory Panel be accepted and endorsed.

REASON: In accordance with budgetary and performance monitoring procedures.

**33. TREASURY MANAGEMENT SECOND MONITOR REPORT**

Members considered a report updating them on the Treasury Management performance for the period 1 April to 31 October 2008 compared against the budget presented to Council on 21 February 2008.

The report highlighted the economic environment for the first seven months of the 2008/09 financial year and in relation to this reviewed treasury management performance covering: short-term investments, long-term borrowing, Venture Fund and Treasury Management Budget.

Members were updated on the implications of the current economic conditions and Officers explained the significant debt restructuring that had taken place as outlined in the report.

It was noted that the delay in the capital programme in respect of the Admin Accommodation project had produced an underspend as borrowing had been delayed. Discussion took place as to the advantages and disadvantages of borrowing in advance.

Members were updated on the situation in respect of the Club Loan. Enfield Council had previously been reluctant to restructure the loan but had now indicated that they would be willing to do so. In the present climate it was, however, unlikely that a third party would be willing to buy out the loan.

Advice of the Advisory Panel

That the Executive Member be advised:

- (i) That the performance of the Treasury Management Activity be noted.
- (ii) That the projected underspend of £1.289m be noted.
- (iii) That the Treasury Management Team be congratulated on its prudence and exceptional performance in the current economic climate.

Decision of the Executive Member

RESOLVED: That the advice of the Advisory Panel be accepted and endorsed.

REASON: To ensure the continued performance of the Council's Treasury Management function.

Councillor P Healey, Chair

Councillor R Moore, Executive Member

[The meeting started at 5.30 pm and finished at 6.25 pm].