

Report for Resolution

Report to Council
20 July 2010

Report of Head of Finance

Subject Changed use of reserves

10

Purpose To give the chief executive authority to draw down, from the general fund reserve, such monies that are required to support the achievement of the new savings programme identified as a result of the new government spending policy.

Recommendations

That Council approves the following:

To authorise the Chief Executive Officer to transfer up to the balance remaining from the earmarked reserves which were to supporting the unitary process

Corporate Objective/Service Plan Priority

The report helps to achieve the corporate priority for aiming for excellence.

Contact Officers

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Background papers

None

REPORT

1. When 2010/11 General Fund Budget was set the Chief Executive was given authority to draw down from the general fund reserve an amount up to £500,000 to support the implementation of the unitary council for Norwich. By the end of July it is estimated that up to £118,000 of this amount has been used. As the national government has now stopped the implementation of the unitary council the balance of £382,000 will no longer be required for this purpose.
2. The cuts being imposed, planned and hinted at by the national government will fundamentally and adversely impact on the City Council. The extent of these cuts is still not known and probably will not be finally known until the Comprehensive Spending Review is published in October 2010. It is essential that the Council establishes a savings and change programme to manage this situation
3. It is anticipated that reserves will be required to programme manage the savings programme, support the staff change programme and support the introduction of a programme of systems thinking to drive out future savings. This will involve the redesign of the currently titled transformation team.
4. Council is therefore requested to give authority for the remaining balance to be earmarked to assist the achievement of the savings proposals with the expectation that spending will be kept to a minimum.

References

Executive Report 23 February 2010 subject: General Fund Budget 2010/11