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Monday 23 January 2012

To: Councillor Ray Manning, Portfolio Holder

Dear Sir / Madam

This is a supplement to the previously published agenda for the meeting of **LEADER'S PORTFOLIO MEETING** on **MONDAY, 23 JANUARY 2012**, containing those reports which had not been received by the original publication deadline.

Yours faithfully
JEAN HUNTER
Chief Executive

Requests for a large print agenda must be received at least 48 hours before the meeting.

AGENDA

3. Capital and Revenue Estimates 2012/13 (Key)

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SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader's Portfolio Holder Meeting

23 January 2012

AUTHOR/S: Executive Director, Corporate Services

REVENUE AND CAPITAL ESTIMATES FOR THE LEADER'S PORTFOLIO**Purpose**

1. The purpose of this report is to enable the Leader to consider the Revenue Estimates for 2012/13 and the Capital Programme up to 2016/17, relating to services within the Leader's Portfolio.
2. This is not a key decision; however, the report presents the relevant estimates for endorsement by the portfolio holder, prior to being included as part of the overall estimates to be presented to Cabinet and confirmed by Council in February 2012.

Recommendations

3. That the Leader:
 - (a) endorses the Revenue Estimates for 2012/13 and the Capital Programme up to 2016/17, relating to services within the Leader's Portfolio, and recommends them for consideration by Cabinet;
 - (b) approves the Capital Expenditure Proposal Form relating to Community Grants for inclusion in the Capital Programme.

Reasons for Recommendations

4. The draft estimates for all the services of the Council need to be considered and endorsed by the relevant portfolio holders, in order to be collated and presented to the Scrutiny and Overview Committee on 6 February 2012 and to Cabinet on 9 February 2012. The final approval of the estimates and the levels of council tax and rents will be decided by the Council on 23 February 2012.

Background

5. The estimates for the Leader's Portfolio form part of the overall considerations for the Council's annual budget setting exercise and include Voluntary Sector Grants and Community Strategy. (Community Safety, previously under this portfolio, was transferred to the Policy & Performance Portfolio in May 2011.)
6. The Finance and Staffing Portfolio Holder approved the Staffing and Central Overhead Accounts Estimates on 20 December 2011. The recharges approved at that meeting are shown as "Central, Departmental and Support Services" in the detailed estimates attached and the analysis reflects the current service structure. It should be noted that, as all the recharges have already been approved, individual portfolio holders cannot amend them.
7. The estimates for each portfolio are being reported to the relevant portfolio holder. These estimates will then be summarised in a report for examination by the Scrutiny and Overview Committee on 6 February 2012, consideration by Cabinet on 9

February 2012 and finally presentation to the Council on 23 February 2012 for confirmation of the estimates and levels of council tax and rents.

8. The Revenue Estimates are set out in **Appendix A**, while the Capital Programme is shown at **Appendix B**, with the associated Capital Expenditure Proposal Form in **Appendix C**.
9. No automatic inflation allowance has been applied to the 2012/13 estimates – provisions for inflation have been applied to individual estimates only in cases where increases can be justified. (The Medium Term Financial Strategy assumed an inflation rate of 2.5% overall.)
10. Where applicable, the estimates of each portfolio take account of any rollover of budget from the previous year and virement made during the year; they also incorporate expenditure approvals by Cabinet and Council up to November 2011.
11. All the estimates exclude the small number of “Precautionary Items” that are listed at the back of the current estimate book. These are specific, exceptional items of expenditure, which may or may not occur during the budget period, but if they did the Council would be required to meet them. An updated list will be presented to Cabinet on 9 February 2012; however, none has been identified within this portfolio.

Considerations

REVENUE ESTIMATES: REVISED 2011/12 AND ESTIMATES 2012/13

12. The Revenue Estimates for this portfolio are shown at **Appendix A**. The total estimates have been analysed between direct costs and recharges, so that the direct costs can be identified for comparison. This is considered appropriate because the direct costs are specifically within the control of the relevant cost centre manager. By contrast, the Staffing and Central Overhead Accounts Estimates determine the recharges. Compared with the 2011/12 original estimates, the net direct costs increased by £11,640 in the revised estimates and by £20,550 in the 2012/13 estimates:
 - (a) The increase in 2011/12 is mainly due to the receipt of outstanding LPSA monies, of which £27,000 will be used to support Community Chest grants of £36,750. (A further £30,000 of LPSA monies will be similarly used in 2012/13 – see below.)
 - (b) The increase in 2012/13 is mainly due to estimated Community Chest grants of £55,000, part funded by £30,000 LPSA monies, as above. (The balance of £25,000 will be met by transfers from other service budgets, which show corresponding decreases in their portfolio estimates.)
 - (c) A final £43,000 of LPSA monies will be used on strategic projects yet to be identified.
13. Comments on the individual estimate headings are given in paragraphs 14 and 15. All comparisons therein are made with the 2011/12 original estimates. All the 2012/13 estimates include an element of inflation, where necessary. A general overview of the recharges applying to this portfolio is given in paragraph 16.
14. Voluntary Sector Grants:
 - (a) Inflation has been allowed for in the 2012/13 estimates in respect of Grants to Citizens Advice Bureaux/Centres and Grants to Voluntary Organisations.
 - (b) Some of the budget for Grants to Voluntary Organisations has been transferred to the Community Chest budget (see paragraph 15 (b) below).

15. Community Strategy:
- (a) Community Transport: £1,900 has been included in the 2011/12 revised estimate relating to an approved rollover request from 2010/11, which will only be released once all other budgets have been committed within the portfolio. £8,500 has been included in the 2012/13 estimate for planned commitments to support actions flagged in service priorities, funding for which still needs to be identified.
 - (b) Community Chest: The grant scheme was agreed at the Leader's Portfolio meeting in September 2011, for community based initiatives and one-off projects. £36,750 has been included in the 2011/12 revised estimate and £55,000 in the 2012/13 estimate, funded from other service budgets and supported in 2011/12 and 2012/13 by LPSA Grant monies (as in paragraphs 12 (a) and (b) above).
 - (c) Other Grants: £43,000 has been included in the 2011/12 revised estimate to represent the potential use of LPSA monies on strategic projects yet to be identified.
 - (d) Government Funding: £70,000 has been included in the 2011/12 revised estimate: £27,000 to support Community Chest grants (paragraph 12 (a) above); and £43,000 for strategic projects (see paragraph 12 (c) above). £30,000 has been included in the 2012/13 estimate for further support of Community Chest grants (paragraph 12 (b) above).
16. Central, Departmental and Support Services: The variances result from changes in responsibilities within the Partnerships Team (Communities & Customer Services) and Planning Policy (Planning Services) and the timing of Internal Audit reviews (Corporate Services).

CAPITAL ESTIMATES: REVISED 2011/12 AND ESTIMATES 2012/13 TO 2016/17

17. The Capital Programme for this portfolio, attached at **Appendix B**, is for Community Grants, comprising several grant schemes previously under other portfolios:
- (a) grants previously under the Northstowe and New Communities Portfolio:
 - (i) Village Sports Facilities Grants (notional allocation £100,000);
 - (ii) Community Facilities Grants (£100,000); and
 - (iii) Arts Capital Grants (£40,000).
 - (b) grants previously under the Sustainability, Planning and Climate Change Planning Portfolio:
 - (i) Historic Building (including War Memorials) and Conservation Area Enhancement Scheme Grants (£42,600);
 - (ii) Wildlife Enhancement Scheme Grants (£10,500); and
 - (iii) Tree and Hedge Partnership/Parish Planting Grants (£14,500).
- Funding for these grants is currently met from Capital Receipts; however, the overall Capital Programme for the Council will be subject to further consideration by Cabinet and Council, due to the shortfall of capital funding in future years. Both the expenditure and funding could, therefore, be subject to change.
18. In order that all significant capital items may be evaluated consistently across the Council, items in the Capital Programme for 2012/13 or later over £25,000 in value are subject to the completion of a proposal form, for consideration alongside the Capital Programme being approved. The relevant Capital Expenditure Proposal Form for this portfolio is attached as **Appendix C** for approval for inclusion in the Capital Programme.

Implications

19. Financial	The financial implications resulting from this report are set out in paragraphs 12 to 18 above. (a) The Revenue Estimates for the General Fund services of this portfolio will be included in the General Fund Summary of estimates along with the expenditure of other portfolios. (b) The Capital Programme estimates for this portfolio will be included in the Council's Capital Programme.
Legal	There are no direct legal implications resulting from this report. The estimates show the financial effect of decisions that have already been made.
Staffing	There are no additional staffing implications resulting from this report. The estimates reflect staffing decisions previously made.
Risk Management	These estimates need to be endorsed so that they can be included in the General Fund Summary to be presented to Cabinet and confirmed by Council in February 2012.
Equality and Diversity	There are no direct equality and diversity implications resulting from this report. Equality and diversity issues will have been considered in the decisions which these estimates reflect.
Equality Impact Assessment completed	No As above.
Climate Change	There are no direct climate change implications resulting from this report. Climate change issues will have been considered in the decisions which these estimates reflect.

Consultations

20. The relevant cost centre managers, who are responsible for setting the level of their respective budgets and controlling the expenditure within them, have been consulted in the compilation of the estimate figures.

Effect on Strategic Aims

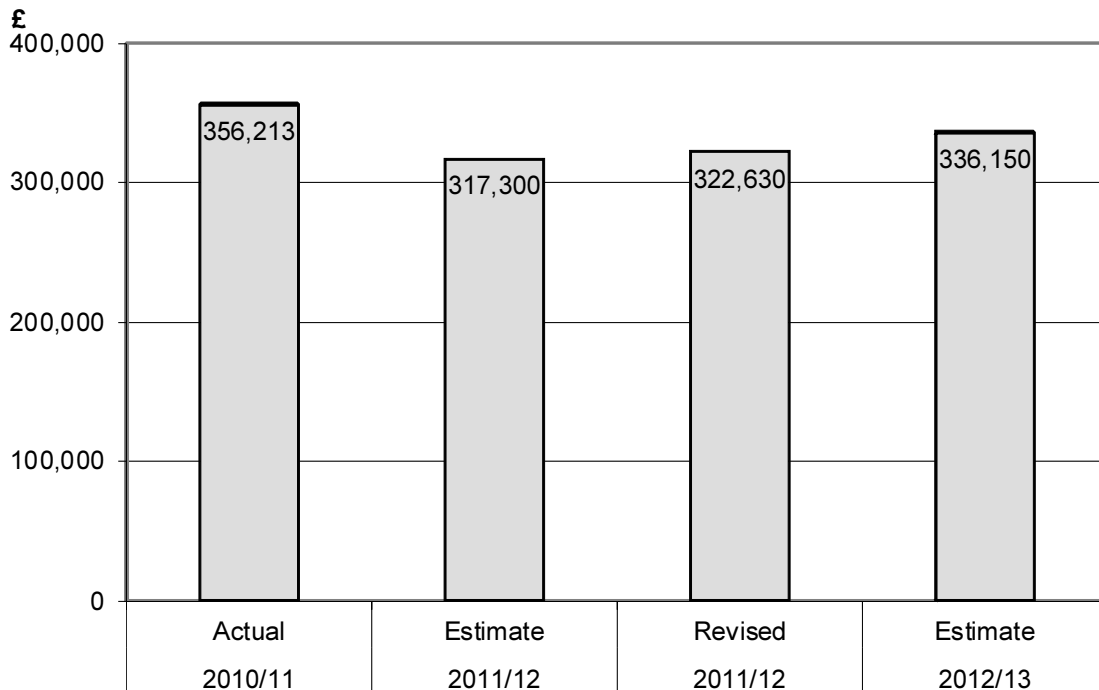
21. To determine detailed Leader's Portfolio budgets to provide the resources for the Council to continue its services to achieve its strategic aims as far as possible within the current financial constraints.

Conclusions / Summary

22. The total net expenditure as shown at **Appendix A** is reproduced below to show the percentage changes between budgets.

Year	Amount £	Change £	Change %
2010/11 Actual	356,213		
		- 38,913	- 10.9%
2011/12 Estimate	317,300		
		+ 5,330 }	+ 1.7% }
2011/12 Revised	322,630	} + 18,850	} + 5.9%
		+ 13,520 }	+ 4.2% }
2012/13 Estimate	336,150		

These comparisons are shown diagrammatically below:



23. In broad terms, the decrease of £38,913 from 2010/11 actual expenditure to the 2011/12 original estimate was due to:
- (a) A decrease of £14,000 on Consultancy costs, related to a one-off Community Transport project, as there is no ongoing budget requirement in 2011/12.
 - (b) A net decrease of £27,000 due to the impact on Local Strategic Partnership expenditure of the Government's decision to withhold LPSA grant.
24. The increase of £5,330 in the 2011/12 revised estimate compared with the 2011/12 original estimate is mainly due to:
- (a) The receipt of outstanding LPSA monies, of which £27,000 supports Community Chest grants of £36,750.
 - (b) An overall net decrease of £6,000 in recharges from Staffing and Central Overhead Accounts.
25. The increase of £18,850 in the 2012/13 estimate compared with the 2011/12 original estimate is mainly a result of:
- (a) An increased Community Chest budget, £10,000 of which has been transferred from Community Development in the Northstowe and New Communities Portfolio.
 - (b) £8,500 for planned commitments to support Community Transport service priorities, funding for which still needs to be identified

Background Papers: the following background papers were used in the preparation of this report:

Estimates files within Accountancy Services

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LEADER'S PORTFOLIO

Actual 2010/2011 £		Estimate 2011/2012 £	Revised 2011/2012 £	Estimate 2012/2013 £
NET EXPENDITURE SUMMARY				
173,287	Voluntary Sector Grants	178,240	181,410	173,290
182,926	Community Strategy	139,060	141,220	162,860
<u>356,213</u>	TOTAL NET REVENUE EXPENDITURE (carried to General Fund Summary)	<u>317,300</u>	<u>322,630</u>	<u>336,150</u>
Analysis of Total Net Expenditure				
201,166	Direct Costs	164,950	176,590	185,500
155,047	Recharges from Staffing and Overhead Accounts	152,350	146,040	150,650
<u>356,213</u>	TOTAL NET REVENUE EXPENDITURE	<u>317,300</u>	<u>322,630</u>	<u>336,150</u>

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