

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Sustainability & Community Planning Portfolio
Holder
Scrutiny Committee

January 2004
12th February 2004

AUTHOR/S: Finance and Resources Director

**REVENUE ESTIMATES
FOR THE SUSTAINABILITY AND COMMUNITY PLANNING PORTFOLIO**

Purpose

1. To consider the Revenue Estimates up to the year 2004-05. There is no capital expenditure relevant to this Portfolio.

Background

2. The estimates for the Sustainability and Community Planning Portfolio form part of the overall considerations for the Council's annual budget setting exercise and include the following services:

Sustainability
Tourism Initiatives
Partnership Working
Community Strategy
Awarded Land
Good Rule and Government Byelaws
Mobile Warden Schemes

3. The Staffing and Central Overhead Estimates were approved by the Cabinet on 18th December 2003. The recharges presented at that meeting are recharged to all services, as appropriate. These are shown as Central, Departmental and Support Services in the detailed estimates. The recharge figures for the Revised 2003-04 and 2004-05 Estimates reflect the new departmental structure. However, it should be noted that the original estimate figures relate to the previous structure and are therefore not directly comparable with the current ones. Although some bids included in the Continuous Improvement Plans (CIP) will eventually affect the central rechargeable costs in 2004-05, no adjustment will be made to the recharges until the estimates are considered again next year.
4. The estimates for each portfolio are being reported to the relevant Portfolio Holder. Subsequently, all the estimates will be brought together for final examination on 5th February by a panel consisting of the Leader and Deputy Leader of the Council together with the Chairman and Vice-Chairman of the Scrutiny Committee. The estimates will then be presented to the Scrutiny Committee on 12th February before being considered by the Cabinet on the 16th February 2004 and, finally, to Council on the 26th February for confirmation of the estimates and levels of the Council Tax and Rents.

5. **Appendix A** (Revenue Summary) only has been included within the main body of the agenda to concentrate attention on the overall position. The detailed estimates will be available to the Portfolio Holder and the Scrutiny Panel and, in due course, to all Members for information.
6. Provisions for increased expenditure of 2.5% have been applied throughout the estimates for inflation.
7. Where applicable, the estimates of each portfolio incorporate the direct costs of both the non-recurring CIP bids approved at the Cabinet meeting on 8th January and the recurring ones agreed at the special Cabinet meeting on 29th January. One of those CIP bids, in respect of the European Climate Menu, relates to this Portfolio (see paragraph 12 below).
8. On 8th January, the Cabinet called for permanent savings to be made, starting from the 2004-05 estimates. As a result, reductions were agreed by Cabinet on 29th January and have been applied in the following areas within this portfolio:

Tourism Initiatives	£5,000 (paragraph 13)
Partnership Working	£5,000 (paragraph 14)

9. All the estimates exclude the special list of 2004-05 Precautionary Items reported to Cabinet on 8th January 2004. None of these precautionary items relates to this portfolio. However, the Precautionary Items list for 2003-04 included another possible provision relating to the European Climate Menu. This has been taken up during the current year, with the approval of the Resources and Staffing Portfolio Holder. This item is now included in the Revised Estimates 2003-04.

Considerations

REVENUE ESTIMATES: REVISED 2003-2004 AND ESTIMATES 2004-05

10. A summary of the revenue estimates for this Portfolio is shown at **Appendix A**. The total estimates have been analysed between direct costs, capital charges 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 budget manager. By contrast, the recharges are determined by the Staffing and Overhead Estimates and capital charges are notional charges that do not affect the overall expenditure of the Council.
11. Comments on individual services are given in the following paragraphs.

Sustainability

12. Additional provisions of £10,000 have been added to the estimates of both years in respect of the Climate Change Menu Programme, which has been approved as an applied Precautionary Item during the current year and through the CIP process in 2004-05.

Tourism Initiatives

13. A reduction of £5,000 has been applied in 2004-05. Provision for the Liaison Officer, the Tourist Information Assistant and most of the projects they undertake will be continued, in partnership with the East of England Tourist Board and other local authorities in Cambridgeshire. In addition, the biennial South Cambs Miniguide will be produced. However, a reduced allocation is planned for the satellite tourist information centre at Trumpington and the Quality Accommodation Scheme and Accommodation Providers Seminar will discontinue.

Partnership Working

14. The provision for next year onwards has been reduced by £5,000 to meet the call for savings.

Community Strategy

15. A provision of £15,000 is maintained to cover the cost of development of the Community Strategy, including consultation and production of the strategy. Other increases in costs are in respect of recharges of officer time.

Awarded Land/Good Rule and Government Byelaws

16. A notional estimate had been maintained in the expectation that resources would be required occasionally, but no direct expenditure has been incurred for several years. The provision for direct expenditure has now been removed. If or when expenditure is required in the future, specific provision will need to be sought either from virement or if significant, from a CIP bid.

Mobile Warden Schemes

17. The scheme grants are continued at current levels.

Central, Departmental and Support Services (recharges)

18. The estimated recharges to this portfolio increased from £134,650 in the original 2003-04 Estimate to £259,870 in the 2004-05 Estimate. The increase is mostly due to significant increases in the estimated proportion of staff time charged to Community Strategy and Partnership Working, primarily from Community Services. Overall, the salary cost increases arising from the PWC review have also added to the costs in both years. In 2004-05, the anticipated pay awards and higher employer's contributions for national insurance and superannuation, and the extra central costs arising from ICT development and the occupation of the Cambridge and Cambourne offices have also increased staff costs recharged to all services.

Financial Implications

19. The estimates for the General Fund Services of the Sustainability and Community Planning Portfolio will be included in the General Fund Summary of estimates along with the expenditure of other Portfolios.

Legal, Staffing and Sustainability Implications

20. None

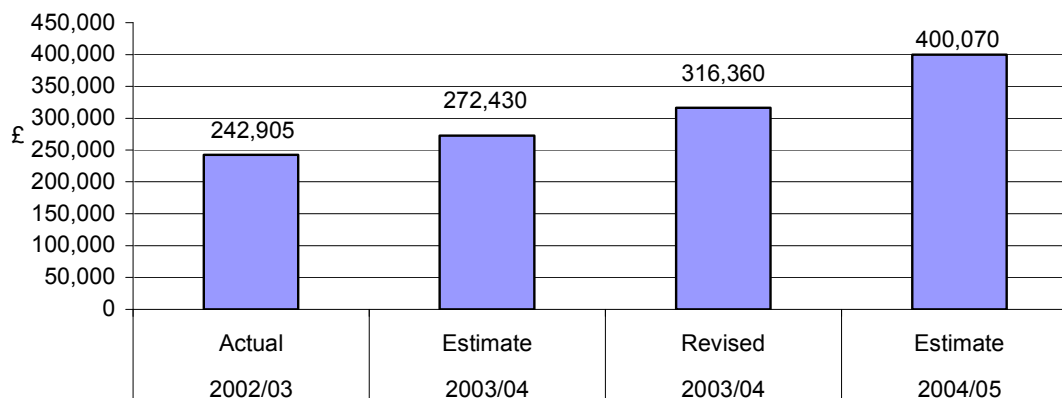
Conclusions

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

Year	Amount £	£	Increase %
2003-03 Actual	242,905		
		+ 29,525	+ 12 %
2003-04 Estimate	272,430		
		+ 43,930	+ 16 %
2003-04 Revised	316,360		
		+ 83,710	+ 26 %
2004-05 Estimate	400,070		

These comparisons are shown diagrammatically below:

Sustainability and Community Planning



22. The lower expenditure in 2002-03 compared with 2003-04 was mainly due to lower levels of Community Strategy and Partnership Working expenditure.

23. The increase in the Revised 2003-04 over the original 2003-04 Estimate arises as a result of the rollover of £6,500 in Tourism Initiatives, the addition of the £10,000 Precautionary Item regarding the Climate Change Menu and higher recharges on Community Strategy.

24. The increase of £127,640 in 2004-05 compared with the original 2003-04 Estimate is due to increased recharges from central and support services. The inclusion of £10,000 for the Climate Change Menu (CIP approval) is offset by the savings made on Tourism and Partnership Working.

Recommendations

25. The Portfolio Holder for Sustainability and Community Planning is requested to endorse the Revenue Estimates shown at **Appendix A** and recommend them for consideration by the Cabinet.
26. The Scrutiny Committee is requested to make comments on the Revenue Estimates of the Sustainability and Community Planning Portfolio, for consideration by the Portfolio Holder and the Cabinet.

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

Estimate files within the Accountancy Division of the Finance and Resources Department.

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