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| COUNCIL BOARD | 22 February 2011 |
| SUBJECT | Business planning 2011/12 –revenue and capital bids |
| AUTHOR (S) | Geraint George Head of Strategy and Improvement |
| REGARDING MAIN ISSUE | Council priorities |
| WHAT THE BOARD IS REQUESTED TO DO | Consider and agree recommendations for funding the revenue and capital bids received |
| A) main messages | |
| B) decision | |

1. Background

The purpose of this paper is to report on the result of the process of analysing and prioritising revenue and capital bids as part of the key process of identifying and agreeing the priorities and budget of the Council for 2011/12. According to the business planning framework, the bids have been identified by the services as they consider their priorities and service plans.

Once again this year, in the face of a seriously challenging financial situation, bids were invited under the **unavoidable category** only, that is expenditure that is unavoidable to keep the service at its present level or to respond to substantial new legislative requirements. I must also be noted this year that a number of central grants come to an end which adds to the pressure.

This report considers bids that conformed to the **unavoidable** definition only. Some more developmental requirements have been mentioned and it will be necessary to consider these jointly with any new requirements that arise from the Council's new 3 year plan that will be agreed by the full Council in May. Provision is made in the Financial Strategy for this, and the proposals on the use of those resources will come back to the Main Scrutiny Committee and Council Board.

Also there are some bids where there is a potential business case for the Invest to Save Fund and relevant bids will be considered by that process.

2. The Prioritisation Process

The main steps in the process for prioritising the bids are outlined below:-

- initial assessment of all the bids submitted jointly by the Leadership Group, in order to ensure that only unavoidable bids are considered.
- the Strategic and Improvement Department, based on the details presented and further discussions with the services, have prepared recommendations and a draft report as regards prioritising and funding bids
- the Leadership Team have considered the paper of the Strategic and Improvement Department and have agreed on recommendations
- Consultation with the Business Group.
- Principal Scrutiny Committee to consider and adopt the Financial Strategy, the priorities and funding sources in their meetings in February and March 2011.

As regards capital bids, the Asset Management Plan directs a substantial part of this expenditure and this report deals with issues outside this procedure.

3. Recommendations.

A. Revenue Bids.

Revenue bids equivalent to a total of £4,646,089 were received

The following documents are attached:

- (i) the recommendations regarding funding the bids that are considered unavoidable.- **Appendix A.**

To summarise, the totals are as follows:-

| | 2010/11 |
|------------------|------------|
| Permanent | £2,008,870 |
| One off | £1,071,920 |

- (ii) the list of revenue bids directed to the Development Fund of the 3 Year Plan or the Invest to Save Fund – **Appendix B**
- (iii) the list of revenue bids not recommended for consideration because they are not unavoidable - **Appendix C**

B. Capital Bids

The following documents are attached:

- (i) The list of bids received, equivalent to £2,567,780 and the recommendations regarding funding the bids, equivalent to £956,200 - **Appendix Ch.**

A. Views of the Local Member(s):-

Not a local matter

B. Views of the Statutory Officers:-

1. The Chief Executive

"As the Corporate Director acknowledges in his report on the Financial Strategy, the bids have again this year been subject to some tough analysing and challenge to ensure that we allocate resources for bids which conform to the definition of being unavoidable , whilst noting that bids of a developmental nature are to be considered in the context of the Three Year Plan which will come before you in the next cycle. I support the list of recommended bids, which have been subject to challenge and detailed discussion before reaching the Board".

2. Monitoring Officer

Nothing to add regarding propriety.

3. Chief Financial Officer

I confirm that the totals for the recommended permanent revenue (£2,008,870) and capital (£956,200) bids here in the Head of Strategic & Improvement's report are consistent with the financial strategy for 2011/12 in the report by the Corporate Director, and that report is the basis for the Prudential Code indicators in my subsequent report.

Only additional needs which are unavoidable in order to ensure continuation of the Council's present services have been included in these revenue bids, and I have been involved in the work of sorting and challenging these to limit the total to approximately £2m (0.9% of the revenue budget).

For information, the total of the capital "bids" here is much less then the full capital programme (see my report on the third quarter review of the 2010/11 capital programme), which includes a number of very substantial specific grants and a number of projects which are commitments from previous years.

In general, I am confident that the bids have been logically prioritised, further to an exercise which has measured and considered an extensive range of customers' and services' needs. Therefore, I support the recommendations for 2011/12.

C. Background Papers :-

CH. Policy Implications :-