

REPORT TO CABINET

19 February 2013

Cabinet Member: Leader of the Council

Subject: Revenue and Capital Bids

Contact Officer: Geraint W George, Head of Strategic and Improvement

The resolution sought / purpose of the report

To adopt the recommendations in relation to the financing of the bids

Views of the local member

Not a local matter

1. Background

- 1.1 As part of the key process of recognising and agreeing the Council's priorities and budget for 2013/14, the Council invites revenue and capital bids. The purpose of this paper is to report on the work of prioritising those bids. In accordance with the business planning framework, the bids have been prioritised by the departments whilst considering their priorities and annual service plans.
- 1.2 Again this year, in view of the extremely challenging financial situation, **essential** bids only were invited, i.e. "*expenditure essential to maintain the service at its present level or to respond to substantial new legislative requirements that cannot be met by the Department.*" The recommendations contain bids for two new posts.
- 1.3 This report considers only the bids which accorded with the above definition of **essential**.

- 1.4 Some bids were received that did not accord with the definition, since they were of a developmental nature. One example was a bid by the Education Department. For a Language Charter Co-ordinator. The relevant developmental bids will be considered later within the arrangements for developing the Council's new Strategic Plan and the recommendations for financing those recommendations will be submitted to the full Council in May.

2. The Prioritisation Process

Following the original invitation, revenue bids amounting to £ 2,410,373 (permanent), and £714,200 (one-off), were received, together with capital bids of £1,003,600.

The attached spreadsheet shows the sum recommended for funding the bids, as follows:

Permanent Revenue Bids – £1,265,980

One-off Revenue Bids - £394,250

Capital Bids - £435,000

The following is an outline of the principal steps in prioritising the bids :-

- An initial assessment by the Corporate Management Team of all the bids received, in order to ensure that only essential bids were considered.
- The Strategic and Improvement Department, based on the details submitted and further consultation with the service prepares recommendations and a draft report prioritising the funding of the bids.
- The Management Team considers the paper by the Strategic and Improvement Department and agrees recommendations.
- The Financial Strategy Panel considers the recommendations.
- Consultation with the Business Group on the recommendations
- The Audit Committee, the Council's Cabinet and the full Council considers and adopts the Financial Strategy, the priorities and the funding streams at their meetings in February and March 2013.

3. Recommendations.

The Cabinet is asked to consider the attached spreadsheet, which contains:

- (i) the recommendations in relation to funding the revenue bids which are considered essential, and those bids which are not recommended to be funded within the bidding procedure for the reasons noted - **Appendix A**

 - (ii) The list of capital bids received, and the recommendations in relation to the funding of those bids - **Appendix B.**
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Statutory Officers' Views

Chief Executive:

Once again we face the difficult decision in relation to the bids that are considered essential, in the context of our financial strategy. A comprehensive challenge and discussion has been undertaken in bringing us to the recommendations in the report, and I recommend the report. Of course, as the report notes, any developmental matters will be considered as part of the work of preparing the Strategic Plan for 2013/17.

Monitoring Officer:

There has been comprehensive consultation in relation to the recommendations, and no matters of propriety arise.

Head of Finance:

I can confirm that there has been a thorough challenge in processing the bids presented here in order to ensure that only absolutely unavoidable requirements are recommended for funding, and to ensure that the value of the bids are fair estimates of the cost of dealing with the additional pressures on the relevant departments' budgets.

You may observe that, following effective challenge to the original revenue bids again this year, the total recommended for funding is less than 1% of the Council's annual revenue budget.

Please note that the total of the capital bids here is much lower than the full capital programme, as the programme includes substantial specific grants and schemes that are commitments from previous years.
