

REVENUE INVESTMENT AND BUDGET SUPPORT CABINET PANEL

Submitted by: Nick Lamper, Senior Member Services Officer

Portfolio: Finance and Resources

Ward(s) affected: All

Purpose of the Report

To inform the Cabinet of the intention to put in place arrangements for the portfolio holder for Finance and Resources to discharge the function of making decisions on expenditure from the Revenue Investment Fund, and from the Budget Support Fund in respect of funding “Invest to Save” schemes, in response to recommendations of the cross-party Revenue Investment and Budget Support Cabinet Panel.

Recommendation

- (1) That the intention to put in place arrangements for the portfolio holder for Finance and Resources to make decisions on expenditure from the Revenue Investment Fund, and from the Budget Support Fund in respect of funding “Invest to Save” schemes, in response to recommendations of the cross-party Revenue Investment and Budget Support Cabinet Panel, be noted; and**
- (2) That it be noted that Part 3 of the council’s constitution (Scheme of Delegation) will be amended to show the inclusion of this responsibility in the list of responsibilities for the exercise of Cabinet functions.**

Reasons

The proposals seek to expedite the making of decisions on expenditure from the Revenue Investment Fund, and from the Budget Support Fund in respect of funding “Invest to Save” schemes, in response to the recommendations of the Cabinet Panel.

1. Background

- 1.1 In setting its budget for 2013/14, the Council approved the establishment of a Revenue Investment Fund as a resource to fund activities which supported the Council's key policy priorities. Further, it approved the use of funds drawn from the Council's Budget Support Fund to deliver “invest to save” projects which would incur short term revenue expenditure in order to deliver longer term financial efficiency savings. The fund would be replenished as the first call on cashed savings and sustained to fund an ongoing programme of “invest to save” efficiencies.
- 1.2 In the interests of establishing a responsive, efficient and accountable mechanism for considering proposals for funding from the Revenue Investment Fund and Budget Support Fund, a cross-party Cabinet panel was established by the Cabinet at its meeting on 6 March 2013 (minute number 11 refers). The terms of reference of the panel provided for it to make recommendations to the Cabinet.

2. Issues

- 2.1 The panel met on 27 June, when it considered ten initial bids for funding from the Revenue Investment Fund. It recommended one bid for approval, sought detailed presentations in respect of three others and requested further information on a further three.

- 2.2 Of 13 initial bids for Invest to Save Schemes to be funded from the Budget Support Fund, the panel noted decisions which had been taken in respect of two (one by the Cabinet and one by officers in consultation with the portfolio holder) and supported one other in principle. Consideration of the other ten was deferred.
- 2.3 The meeting was adjourned to a date and time to be confirmed, to enable the presentations and additional information requested to be brought back before it and for the deferred business to be considered.
- 2.4 Under the current arrangements, the panel would make its recommendations to Cabinet, which would make the taking and actioning of decisions dependent upon the scheduling of Cabinet meetings.
- 2.5 It is clear from the initial consideration of bids by the panel that the process has the potential to involve a number of ad hoc meetings and possible adjournments, and the requirement for its recommendations to be presented only to scheduled Cabinet meetings is not wholly conducive to the timely and effective implementation of successful schemes.

3. **Proposal**

- 3.1 In order to expedite the making of decisions in respect of the panel's recommendations, it is proposed to put in place arrangements for the portfolio holder to make those decisions.
- 3.2 The Local Government Act 2000 requires local authorities to make Executive Arrangements in their constitutions for the discharge of executive functions. Those arrangements may make provision for the discharge of functions by the executive, members of the executive, committees of the executive or officers of the authority. (Committees of the executive may contain only executive members.)
- 3.3 Where functions are not allocated under the Executive Arrangements, the Executive Leader may discharge them or arrange for their discharge by the executive, another member of the executive, a committee of the executive or an officer of the authority.
- 3.4 Where functions are allocated to the executive, the executive may arrange for those functions to be discharged by a committee of the executive or an officer, but it does not have the power to arrange for them to be discharged by a member of the executive.
- 3.5 This council's Executive Arrangements state (in Part 2, Section 7, paragraph 7.6 of the constitution) that all Cabinet decisions will be taken by the Cabinet acting collectively, with a number of exceptions relating to (a) finalising detail of in-principal decisions, (b) urgent matters and (c) "when the Leader has arranged for a Cabinet function to be discharged by a Cabinet committee consisting of Members of the Cabinet or a single Member or an officer or by way of joint or local arrangements."
- 3.6 The constitution goes on to state, "The Leader will maintain a list in Part 3 of this Constitution (Scheme of Delegation) setting out which Cabinet committees, Cabinet members, officers or joint or local arrangements are responsible for the exercise of particular Cabinet functions."
- 3.7 It is the Leader's intention to make provision in the immediate future within the Scheme of Delegation, for the responsibility for making decisions in respect of the Revenue Investment and Budget Support Cabinet Panel's recommendations to be exercised by the portfolio holder for Finance and Resources.

- 3.8 The decisions taken by the portfolio holder will be published on the council's website and open to public inspection, as is required by legislation.

4. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 4.1 The funding of key policy priorities and invest to save projects will contribute to all the council's priorities as set out in the Council Plan:-

- A clean, safe and sustainable Borough.
- A Borough of opportunity.
- A healthy and active community.
- Becoming a co-operative council which delivers high quality, community-driven services.

5. **Legal and Statutory Implications**

- 5.1 The Local Government Act 2000 and the council's constitution make provision for executive functions to be delegated to individual executive members in the manner proposed.

6. **Equality Impact Assessment**

- 6.1 There are no differential impacts in this report.

7. **Financial and Resource Implications**

- 7.1 Full council on 27 February 2013 established a Revenue Investment Fund of £100k as part of the overall budget proposals. Depending upon the Council's future budget position, further contributions to the fund may be made in the following years.

- 7.2 Council also approved the use of the Budget Support Fund to initially finance "Invest to save" projects. It was agreed that viable proposals could be financed from the Budget Support Fund with the fund being "repaid" out of the revenue budget as resulting savings arise. Once the fund has been repaid the full amount it originally financed in respect of a particular proposal, the savings will be retained within the revenue budget, thereby providing an ongoing benefit.

8. **Major Risks**

- 8.1 A full risk assessment in respect of the council's budget for 2013/14 was included as part of the budget report to full council on 27 February 2013.

9. **Earlier Cabinet/Committee Resolutions**

Council 27 February 2013 – Revenue and Capital Budgets and Council Tax 2013/14.
Cabinet 6 March 2013 – Establishment of Cabinet Panel.