

Luton & South Bedfordshire Joint Committee

19 September 2008

Agenda Item No. 14

AUTHOR	Deputy Chief Executive & Strategic Director (Sustainable Communities) – SBDC (Anne Brereton) Senior Accountant – SBDC (Phil Robinson)
SUBJECT	Joint Committee Budget
PURPOSES	To consider and agree the ongoing financial implications of the joint technical work and to recommend that the constituent authorities take this into account in preparing their medium term financial plans and budget estimates for 2009/10.
RECOMMENDATIONS	i) That the Committee notes the five year financial programme for 2008 – 2013 as set out in Appendix 1. ii) That the Committee recommends to the Shadow Executive of Central Bedfordshire and the Executive of Luton Borough Council that provision be made for the required increased contributions to the joint committee budget as set out in Appendix 1; iii) That the Committee notes that, in addition to the recommended increased contributions, there will still be a dependency on existing revenue budgets and Growth Area Funds to meet the supporting employee and additional technical costs incurred in the preparation of the joint Local Development Framework.
REASON FOR RECOMMENDATIONS	In order that the Committee can plan its future work programme and resources.

1.0 INTRODUCTION

- 1.1 The joint committee received a report at the last meeting on the budget outturn position for 2007/08 which also highlighted the annual shortfall in income going forward.
- 1.2 Since the meeting further work has been done to identify the minimum amount of core funding required to continue the work programme and fulfil the responsibilities of the Committee in preparing the joint Local Development Framework for Luton and South Bedfordshire. An updated five year budget projection is attached at Appendix 1.

2.0 ONGOING RESOURCE REQUIREMENTS AND IMPLICATIONS

- 2.1 Members are aware that, for a variety of good reasons, the existing work programme has slipped significantly. This has already impacted on the amount of Housing and Planning Delivery Grant we have been awarded this year and will affect our future allocations unless we are able to meet our commitments set out in the Local Development Scheme agreed with Government Office.
- 2.2 The Senior Management Group, advised by the Joint Technical Unit Manager, has discussed the dedicated resources required for the joint technical work and concluded that a team of 10 officers is adequate. The recent co-location of the joint team has undoubtedly improved our efficiency and day to day working and this will improve still further when the team is at full strength.
- 2.3 There is one remaining post to be filled from the County Council's contribution however this has not been possible to date and it is unlikely that the Local Government Review disaggregation process will identify a suitable candidate. The County Council has been using a range of officers and skills to carry out work on behalf of the JTU however the preferred way forward is to have a permanent member of staff based within the team. It is therefore likely that we will need to recruit to the position.
- 2.4 It is considered that the full team of 10 (including administrative support) would increase the resilience to staff turnover, at times of holiday and sickness and reduce the reliance on consultants in the future, enabling a more selective approach to commissioning.
- 2.5 There will inevitably still be an ongoing requirement for specialist consultancy support including legal advice and advocacy and it is therefore proposed that the £200,000 previously included for consultancy is retained in the budget going forward. It is recommended that this sum also includes provision for the recently retained legal advice. This excludes representation at Public Examination for which additional costs will be incurred. South Bedfordshire has earmarked reserves to fund their contribution to this cost. Clarification is being sought on the approach taken by partners. The current consultancy framework agreement will be reviewed during the current financial year and retendered if necessary.

- 2.6 A sum has also been included for ongoing community involvement work to supplement the resources of the existing authorities and in recognition of the commitments set out in the Statement of Community Involvement.
- 2.7 Local Government Reorganisation is bound to have an impact on the continuity of available knowledge, experience and resources from the County Council and South Bedfordshire District Council. The Senior Management Group therefore believe it is timely that the technical resource requirements are made more transparent and formally considered by the Joint Committee and recommended to the Shadow Central Bedfordshire Executive and Luton Borough Council to take forward in their imminent budget processes.

3.0 FINANCIAL IMPLICATIONS

- 3.1 These are set out in the report and Appendix 1 and require a total annual increase of £100,000 from the core authorities. Assuming that in future the two Unitary Authorities would make an equal contribution, the required increase from each would be £50,000. The core authorities have so far funded their contributions to the joint budget from a combination of general fund base budget, planning delivery grant and underspend during the year. It will be for each authority to identify how best they can meet the increased contributions going forward some of which could be from diverting funds from existing earmarked budgets (e.g. legal advice).
- 3.2 It is also important to note that each of the authorities is also committing significant corporate resources. The Directors of the three authorities now form the Senior Management Group meeting on a monthly basis, the Head of Planning at Luton and the Head of Sustainable Development at South Bedfordshire are part of the Technical five (T5) group which meets fortnightly and legal, financial, human resources, ICT and committee support are all required to support the joint technical team and Joint Committee.
- 3.3 The financial implications were agreed by Phil Robinson, Senior Accountant SBDC on 10 September 2008.

4.0 LEGAL IMPLICATIONS

- 4.1 There are no legal implications resulting from the recommendations. The recommendations are however based on an assumption that the technical work will proceed on a Joint Local Development Framework for Luton and South Bedfordshire and that the core strategy and local development documents identified in the Local Development Scheme will proceed to adoption. The future constitution of the Joint Committee and governance arrangements will be reported on elsewhere in this agenda.