

**PROPOSED ALLOCATION OF ADDITIONAL RESOURCES FOR GROWTH**

*To:* **Joint Strategic Growth Implementation Committee**

*Date:* **11<sup>th</sup> September 2007**

*From:* **Senior Officer Board**

*Purpose:* **This paper sets out further proposals for approval by the Committee (JSGIC) for the use of additional resources that have been secured from Government to support the growth agenda.**

*Recommendation:* **JSGIC is recommended to:**

- **Endorse the proposed resource allocations contained in Table 1 of Appendix 1 for Priority 1 projects**
- **Note that officers will continue to monitor the budget through the Senior Officer Board and provide further reports to the Committee on the further allocation of funds.**

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## **1. PURPOSE**

This paper sets out further proposals for consideration by the Committee (JSGIC), for the use of additional resources that have been secured from Government to support the growth agenda.

## **2. BACKGROUND**

- 2.1 At the last meeting, the Committee endorsed a Priority 1 list of funding for new posts to be located across the City, County and South Cambridgeshire District Councils, and Horizons. The Committee also agreed that further consideration should be given to the Priority 2 posts identified in the report.

## **3. PROPOSED FUNDING ALLOCATIONS**

The annualised cost of the Priority 1 posts is £1.355Mn, which is almost equivalent to the additional funding available from Government. However, as we are now nearly half way through the financial year and the recruitment process is only just beginning, the forecast expenditure on new posts and start up costs is likely to be around £700,000. Therefore, there is about £700,000 available for the current year to be spent on interim / temporary arrangements for vacant and new posts, consultancy and expert advice, and on one-off costs. Funds allocated for this financial year will have to be spent during this financial year and cannot be carried over to future years.

Future year funding (2008/9-2010/11) will be determined as part of the GAF 3 round, the outcome of which, including the revenue element of future funding, is not expected to be known until later this financial year. Therefore, at this stage, it would be very high risk to make further commitments for long-term posts, i.e. that would incur expenditure beyond March 2008. Some funds could be allocated for interim measures pending permanent appointments, but no new proposals have yet been put forward.

There has been no spend against the current year's additional monies by any of the partners to date. Therefore, there is plenty of scope for allocating funds for consultancy studies and other time-limited work during the current financial year. Officers from the four organizations have liaised to prepare a list of projects to be potentially funded from this money (Appendix 1). The list is divided into Priority 1 projects (where agreement has been reached) and other projects (either lower priority or where priority has not been agreed). The total cost of priority 1 projects is £407,000 and can easily be funded from the additional monies available for this year. The Committee is asked to endorse the allocation of funds for the projects identified in Table 1 of Appendix 1 as Priority 1 projects.

Although there is sufficient funding for the priority 2 and non-prioritised projects (table 2), there has not been agreement yet on their importance and therefore it would be premature to give the go-ahead for these projects at this stage. However, officers need to give further consideration to these projects, ensure they represent the best use of funds and that appropriate project management arrangements can be put in place before commitment can be made to go ahead.

#### **4. MANAGING AND MONITORING SPENDING**

- 4.1 Responsibility for budget management rests with Cambridgeshire Horizons and is conducted through Horizons agreed financial management scheme. However, the Senior Officer Board has a role in monitoring and reviewing the spending and agreeing to adjustments to spending, for example, for variations in cost and additional urgent work. Spending reports will be provided to the Board on a regular basis and a summary of progress reported to this Committee.
- 4.2 The Senior Officer Board is also responsible for making sure that appropriate project management arrangements are put in place to ensure delivery of the agreed projects.