

OPEN REPORT

REPORT TO:	Executive Councillor M T Hill OBE
DATE OF MEETING:	01/12/09
SUBJECT:	Revenue Budget Change - Use of LABGI income
DECISION REFERENCE:	01656
KEY DECISION?	No

SUMMARY:

This report seeks the approval of the Executive Councillor for Resources to transfer the council's allocated LABGI grant funding (£430,000) to the Economic Regeneration budget and to transfer £180,000 from the Capital Unallocated Budget to Economic Regeneration capital budget so that schemes funded by the 'Opportunities to Invest' budget can progress.

ACTION (S) REQUIRED:

That Executive Councillor approval be given to :

1. Transfer the 2009/10 LABGI funding income of £430,000 to Economic Regeneration so that schemes funded by the 'Opportunities to Invest' budget can progress.
2. Transfer £180,000 from the Capital Unallocated budget to enable the Economic Regeneration schemes funded by the 'Opportunities to Invest' budget to progress.

ALTERNATIVES CONSIDERED:

1. Agree the proposals in the actions required
2. Not to agree the proposals in the actions required

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<p>REASONS FOR SELECTING THE OPTION RECOMMENDED:</p> <p>To ensure that the County's economic regeneration can continue and remain resilient in the current economic recession.</p>

1. BACKGROUND

The Local Authority Business Growth Incentives Scheme (LABGI) is designed to give local authorities an incentive to encourage local economic and business growth by rewarding qualifying business growth with non-ringfenced grant.

The LABGI grant allocated from the government for 2009/10 is £430,000.

It is proposed that this funding should be allocated to the Economic Regeneration budget so that the priorities for LABGI (an increase in business competitiveness leading to an increase in business rateable values) can continue to be met.

It is not intended to develop new schemes with this funding, but in the main to use the funding to add to the priorities that have already been agreed. There will be particular emphasis on retaining the vitality of the county's market towns and rural areas during this recession.

To achieve this there would need to be a link between this funding and the 'Opportunities to Invest' budget which prioritised

- Stimulating Innovation and Clusters (including Cadwell Park, tourism promotion, innovation/ICT, and bringing forward New Growth Points)
- Environmental Technology
- Business Support

In addition to the £430,000 LABGI grant, it is also proposed that a further £180,000 be allocated from the capital Unallocated budget at the same time. This will allow the 'Opportunities to Invest' initiatives to progress.

2. CONCLUSION

In order to progress the 'Opportunities to Invest' initiatives funding LABGI funding of £430,000 needs to be transferred to the Economic Regeneration budget and then at the same time transfer £180,000 from the capital Unallocated budget to the Economic Regeneration capital budget.

3. CONSULTATION

(a) Legal Comments

Under the constitution approving changes to the Budget is a function of the relevant Executive Councillor where those changes are between £250,001 and £500,000.

Each recommendation is lawful and within the remit of the Executive Councillor.

(b) Resources Comments

The funding for this initiative comes from the receipt of unbudgeted LABGI grant supplemented by some presently unallocated capital funds. The funding is envisaged as a one-off contribution with no ongoing commitments arising.

(c) Scrutiny Comments

The new Constitution provides that this report is presented directly to the Executive Councillor for Resources for approval. The report will be subject to normal call-in procedures.

(d) Executive Councillor Comments

This is an Executive Councillor decision and therefore comments have not been sought

(e) Local Member Comments

None

(f) Policy Proofing Actions Required

There are none required with this report. The consideration of the contents and subsequent decisions are all taken with regard to existing policies.

4. APPENDICES

Not applicable

5. BACKGROUND PAPERS

No Background Papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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