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| Key Decision Required: | No | In the Forward Plan: | No |
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CABINET

25 JANUARY 2012

REPORT OF FINANCE AND ASSET MANAGEMENT PORTFOLIO HOLDER

A.9 COMMUNITY ASSET RENT OFFSETTING SCHEME

(Report prepared by Karen Neath)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider the resolution of the Community, Leadership and Partnership Committee from the meeting on 12 December in relation to CAROS and to determine a way forward.

EXECUTIVE SUMMARY

At the meeting on the 16 November 2011, Cabinet considered a report on the future of the Community Asset Rents Offsetting Scheme (CAROS). At that meeting it was resolved:-

- (a) That option C be chosen as the way forward for the Council;*
- (b) That budgetary provision be made to fund the phased reduction up to the end of 2014/15 i.e. 2012/13 £63,902; 2013/14 £43,307 and 2014/15 £21,760.*

The decision was called-in and duly considered by the Community, Leadership and Partnership Committee on 12 December 2011. At that meeting the Committee resolved:

That the Committee does not object to the decision, on the basis that the Leader of the Council and Portfolio Holder for Finance and Asset Management have clarified to the Committee that the annual amounts payable by organisations benefitting directly from the CAROS scheme will remain the same for the next three years, but the Committee has requested a formal review of the CAROS scheme and its effect on the third sector in full within the next six months.

The clarification referred to in the above minute was formally minuted at the Cabinet meeting on 14 December as follows:-

In clarification of minute 75 regarding the cessation of CAROS, any organisation that is in receipt of CAROS funding now or during the next three years will have their overall rent limited to £150 in each of the next three years after which time the scheme will cease. The Council will make the necessary budgetary provision to fund CAROS in each of those three years.

The budgetary provision in accordance with this is as follows:-

| Year | £000 |
|-------------|-------------|
| 2011/12 | 51 |
| 2012/13 | 91 |
| 2013/14 | 108 |
| 2014/15 | 109 |

The budget report for 2012/13 considered elsewhere on the agenda includes provision in line with this.

Consideration now needs to be given to the request from the Community, Leadership and Partnership Committee that a formal review of the CAROS scheme and its effect on the third sector in full be undertaken within the next six months. Cabinet are asked to determine how it wishes this review to be taken forward.

RECOMMENDATION(S)

That Cabinet determines how it wishes the review requested by the Community, Leadership and Partnership Committee to be taken forward.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The clubs and associations that benefit from the scheme provide facilities and services that contribute to the Council's objectives in a variety of ways.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The financial implications are set out above and are reflected in the budget report elsewhere on the agenda.

Risk

The relevant risks were considered in the report of 16th November.

LEGAL

Carrying out the review requested would be within the Council's powers. Other legal implications were considered in the report of 16th November

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

The relevant implications were considered in the report of 16th November.

PART 3 – SUPPORTING INFORMATION

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

None