

POLICY AND RESOURCES SCRUTINY COMMITTEE – 8TH JUNE 2010

**SUBJECT: CORPORATE SERVICES & MISCELLANEOUS FINANCE– BUDGET
2010/2011**

REPORT BY: DIRECTOR OF CORPORATE SERVICES

1. PURPOSE OF REPORT

1.1 To present to Members the individual budgets for 2010/11 for Corporate Services and Miscellaneous Finance.

2. SUMMARY

2.1 The total net budget for Corporate Services and Miscellaneous Finance shows a net increase due to the various factors outlined in the report.

3. LINKS TO STRATEGY

3.1 The contents in this report are in accordance with the Budget Strategy agreed by Council at its meeting on 25th February 2010.

4. THE REPORT

4.1 Members will find the summary budget for Corporate Services and Miscellaneous Finance attached to this report as Appendix 1.

4.2 The appendix shows a net increase in the revised budget for 2009/10 of £517k. This is due in the main to the clawback from service areas of £1.117m relating to the overprovision of the pay award for 2009/10. This budget is now held in Miscellaneous Finance as a contingent budget. This increase in budget has been offset by a virement in 2009/10 of £400k to service areas to fund spend on community assets.

4.3 For 2010/11 the appendix shows a net increase year on year of £2165k due, in the main, to the following:-

- Growth items of £300k, comprising £100k to fund a shortfall in land charges income for Legal Services, £100k to fund a shortfall of £200k in DWP admin grant costs for Housing Benefits, £60k to fund Gwent Archives and £40k growth to Additional Support for Voluntary sector in accordance with the Budget Strategy.
- Growth Item of £3.7m to provide a Revenue contribution to Capital in accordance with the Budget strategy.
- £347k increase in Capital Financing Costs to fund the supported borrowing element of the capital programme.

- £400k in respect of spend on community assets. This budget is held centrally until allocation is agreed by Cabinet.
- A provision for £210k for non pay inflation. This is allocated to all non pay spend.
- £76k in NNDR provision due to the re-evaluation of all NNDR properties.
- A reduction of £2.9m in the Job Evaluation budget which represents a virement of these funds to service areas now that single status has been implemented.
- A decrease of £100k in respect of the IAG (Improvement Agreement Grant).
- A decrease in PFI funding of £200k as per the original scheme funding from WAG. This is cost neutral to the Authority.
- Service savings of £195k arising from vacancy management (£150k) and ICT Replacement Strategy (£45k).
- £531k in respect of unapplied growth. This amount will be allocated during the financial year.

5. FINANCIAL IMPLICATIONS

5.1 The financial implications are those set out in the attached budgets.

6. PERSONNEL IMPLICATIONS

6.1 There are no personnel implications.

7. RECOMMENDATIONS

7.1 It is recommended that the report together with the detailed budget pages be noted.

8. REASONS FOR THE RECOMMENDATIONS

8.1 To ensure that Members are aware of the content of the budget for Corporate Services and Miscellaneous Finance areas of the Chief Executive's Directorate.

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 Consultees: S. Rosser - Chief Executive
 N. Barnett – Director of Corporate Services
 N. Scammell - Head of Corporate Finance
 P. Evans – Head of Information, Communications & Technology Services
 E. Lucas – Head of Procurement
 D. Perkins – Head of Legal Services
 G. Hardacre – Head of People Management & Development
 S. Grant – Finance Manager (Corporate Services)
 N. Roberts – Principal Group Accountant (Financial Advice and Support)
 Cllr. C. Mann – Cabinet Member for Finance, Resources & Sustainability
 Cllr. J. Taylor – Chairman, Policy & Resources Scrutiny Committee
 Cllr. M. E. Sargent – Vice-Chairman, Policy & Resources Scrutiny Committee

Background Papers:
Budget working papers – Accountancy Section

Appendices:
Appendix 1 Summary – Corporate Services and Miscellaneous Finance