

West of England Partnership Board  
25 March 2010

## **PARTNERSHIP OFFICE BUDGET 2009/10 – 2012/13**

### **Purpose**

1. To provide the Board with the:
  - 2009/10 Estimated Outturn for the Partnership Office
  - 2010/11 - 2012/13 proposed budget for the Partnership Office
  - 2010/11 - 2011/12 proposed budget for the short-term external funding of the Skills and Competitiveness work of the Partnership Office.

### **Background**

2. The Partnership Office Budget comprises income from the:
  - Four local authorities annually
  - Growth Point funding until 31 March 2012
  - Regional Observatory for providing the Local Intelligence Network
  - Transport Projects for the O.S Media & PR Officer until 31 March 2012
  - Heads of Housing Strategy for one year Housing Co-ordinator post
  - Waste Development Plan Document and Waste Phase 2 contract project budgets.
3. In addition the Skills and Competitiveness work of the Partnership Office is financed by short-term external funding from the:
  - Learning & Skills Council until 31 March 2012
  - Regional Development Agency until 30 September 2011
  - European Social Fund through City of Bristol College until 30 September 2011
  - South West regional Improvement & Efficiency Programme until 31 March 2011 (currently for Worklessness with another bid made for Innovation & Knowledge Transfer).
4. The Organisation Chart at Appendix 1 identifies the source of funding for each of the permanent and short-term posts.

### **2009/10 Estimated Outturn for the Partnership Office**

5. Appendix 2 provides the estimated outturn at 31 December 2009. The main features of the estimate are:
  - A small reduction in the forecast level of Local Authority contributions for 2009/10;
  - Lower than expected expenditure using Growth Point funding as a result of delays in recruitment. This is offset partly by the use of short-term appointments and the use of Growth Point funding to meet recruitment costs; it is proposed that the year-end shortfall in 2009/10 Growth Point expenditure be retained to meet costs in 2010/11;
  - Growth Point funding is contributing to the cost of Office accommodation and services attributable to Growth Point posts;

- The forecast for other employee expenses has been revised upwards to take account of one-off training costs, pensions strain costs not originally included in the budget and exceptions 2009/10 costs for job evaluation.

### **Proposed Budget 2010/11, 2011/12 and 2012/13**

6. The main features of the budget for the Partnership Office at Appendix 1 are as follows:

- The individual Local Authority's contribution for each of the three years is as follows:
  - 2010/11: £214,000
  - 2011/12: £214,000
  - 2012/13: £225,000;
- In 2012/13 the increase in Local Authority contributions arises from the loss of contributions to office accommodation and services overhead with the discontinuation of external Skills & Competitiveness funding and growth Point funding. At this point the posts remaining will be those in the white boxes in the organisation chart at Appendix 1; the Chief Executives have agreed in principle to reviewing the functions and resourcing of the Partnership Office well in advance of 2012/13, taking in to account any national proposals for changes in regional and sub-regional governance;

The 2011/12 budget make provision for efficiency savings of £20,000 which have not yet been identified; the action required will be confirmed as part of annual budget proposals in Autumn 2010.

- In 2010/11 the contribution required has been contained by the following measures:
  - Apportioning an appropriate proportion of office accommodation and services costs to Growth Point funding and to Skills & Competitiveness funding
  - Reducing budgets for training, advertising, transport consultancy and publicity, inward investment
  - A contingency of 1% for any pay award in 2010/11 has been set aside, in line with the policy adopted by Bath and North East Somerset. The salaries' budgets for 2011/12 and 2012/13 include provision for a 1% pay award.
- A proposal for 2010/11 and 2011/12 to allocate £25,000 pa of Growth Point funding to support business-led innovation and enterprise objectives set out in the MAA in conjunction with Science City;
- At this stage no provision has been made for:
  - increased employers pension contributions that may arise from the next triennial pension fund valuation
  - redundancy costs that may arise when Growth Point funding ceases.

7. The 2010/11 – 2011/12 Skills & Competitiveness budget at Appendix 3 summarises the planned expenditure based on external funding. Agreements are in place or about to be concluded to formalise the handovers, commitments and arrangements for this funding.

## **Recommendation**

That the proposed budgets for 2010/11 be approved.

## **Appendices**

Appendix 1 – Organisation Chart

Appendix 2 – West of England Core Office Budgets 2010/11 – 2012/13

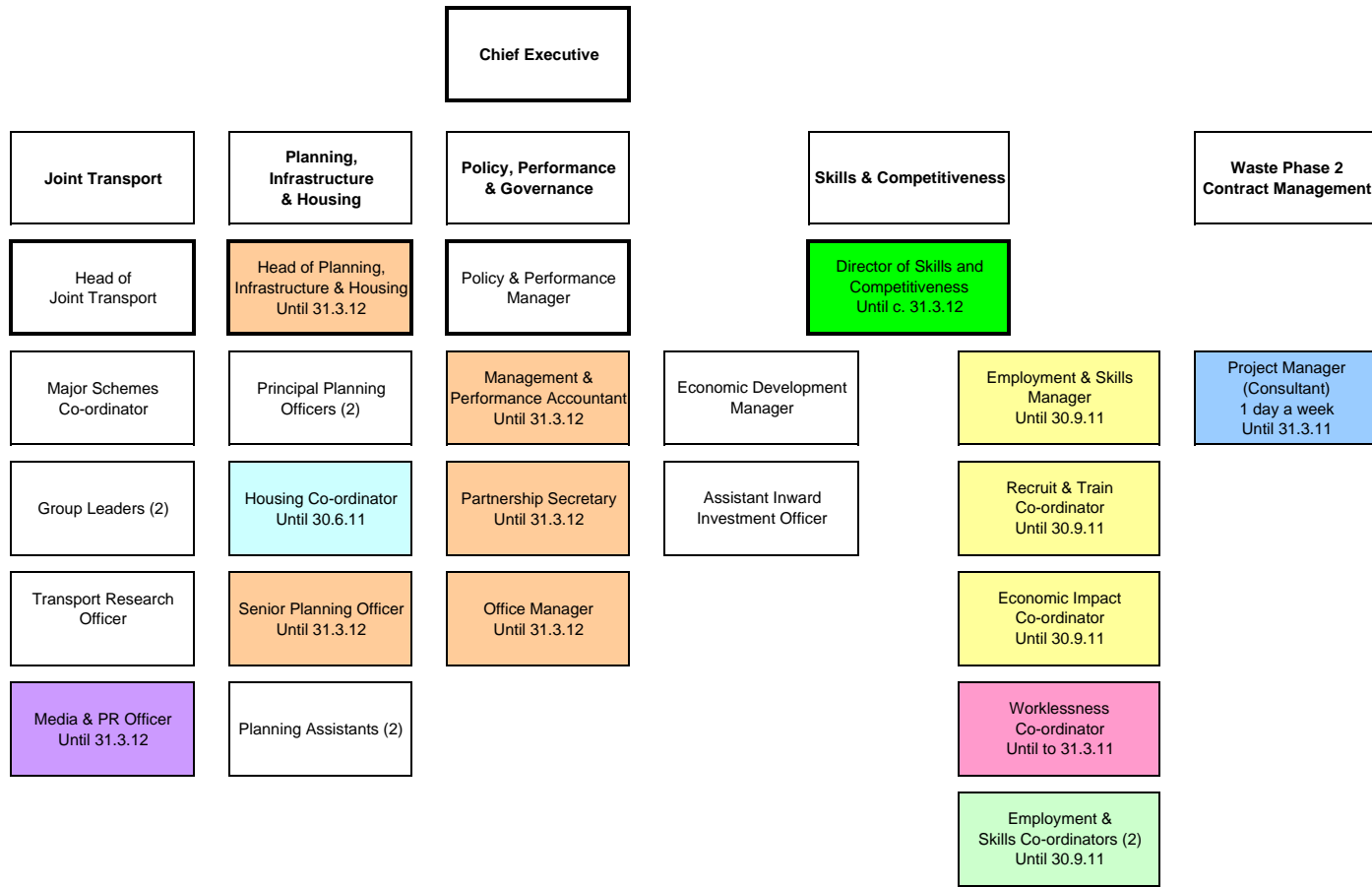
Appendix 3 – Skills and Competitiveness Budgets

Terry Wagstaff  
Chief Executive  
West of England Partnership

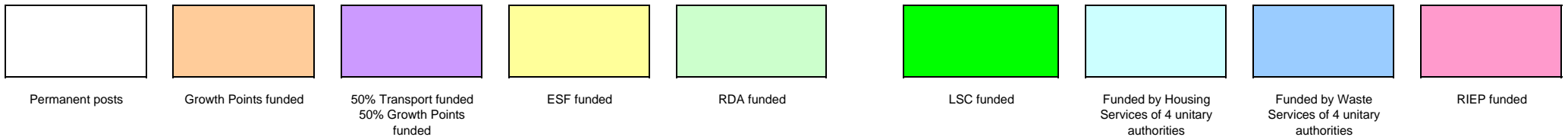
Diana Hodges  
Interim Accountant  
West of England Partnership

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West of England Partnership Office  
March 2010



Key



PROPOSED BUDGETS 2010/11, 2011/12 & 2012/13

Description of costs	Chief Executive/ Finance/Perf					Planning and Infrastructure					Joint Transport					Inward Investment					Totals							
	2009/10 Revised Budget		2009/10 Forecast at Dec 2009		2010/11 Budget	2011/12 Budget	2012/13 Budget	2009/10 Revised Budget		2009/10 Forecast at Dec 2009		2010/11 Budget	2011/12 Budget	2012/13 Budget	2009/10 Revised Budget		2009/10 Forecast at Dec 2009		2010/11 Budget	2011/12 Budget	2012/13 Budget	2009/10 Revised Budget		2009/10 Forecast at Dec 2009		2010/11 Budget	2011/12 Budget	2012/13 Budget
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Employee	294,465	297,102	358,439	341,573	169,003	213,128	149,980	294,009	296,949	156,411	278,685	276,260	300,429	303,433	306,468	81,573	67,469	81,181	81,993	82,813	867,850	790,812	1,034,058	1,023,948	714,694			
Other Employee	5,000	16,690	9,800	6,800	6,800	3,345	3,450	3,450	3,450	3,450	0	0	0	0	0	500	0	0	0	0	8,845	20,140	13,250	10,250	10,250			
Premises	61,636	62,536	65,470	65,570	65,570	600	1,230	1,230	1,230	1,230	0	1,000	1,000	1,000	1,000	500	0	0	0	0	62,736	64,766	67,700	67,800	67,800			
Transport	1,700	1,690	1,900	1,900	1,700	1,795	1,055	1,150	1,150	1,150	3,600	3,900	4,200	4,200	4,200	600	150	600	600	600	7,695	6,795	7,850	7,850	7,650			
Supplies and Services	41,026	36,960	37,399	33,699	32,300	8,550	30,833	8,850	8,850	8,850	42,526	39,950	24,590	23,590	23,590	40,280	41,380	31,100	31,200	31,200	132,382	149,123	101,939	97,339	95,940			
Third Party Payments		11,636																25,000	25,000	0	0	11,636	25,000	25,000	0	0		
Contingency			6,057																		0	0	6,057	0	0	0	0	
Recharges	11,500	11,500	11,500	11,500	11,500	118,839	120,161	108,278	104,260	114,749	118,839	120,161	108,278	104,260	114,749	59,419	60,080	54,139	52,130	57,375	11,500	11,500	11,500	11,500	11,500			
<b>Gross Expenditure</b>	<b>415,327</b>	<b>438,114</b>	<b>490,565</b>	<b>461,042</b>	<b>286,873</b>	<b>346,256</b>	<b>306,709</b>	<b>416,967</b>	<b>415,889</b>	<b>285,840</b>	<b>443,649</b>	<b>441,271</b>	<b>438,497</b>	<b>436,483</b>	<b>450,007</b>	<b>182,872</b>	<b>169,080</b>	<b>192,021</b>	<b>190,923</b>	<b>171,988</b>	<b>1,091,008</b>	<b>1,054,772</b>	<b>1,267,354</b>	<b>1,243,688</b>	<b>907,834</b>			
Internal Income	-297,097	-300,402	-270,696	-260,649	-286,873	-37,507	-37,507	-6,400	0	0											-37,507	-37,507	-6,400	0	0			
Growth Points	-118,230	-137,712	-195,869	-196,393	0	-71,270	-21,836	-152,035	-153,063	0								-25,000	-25,000		-189,500	-159,548	-372,904	-374,455	0			
Other grant income		0	-24,000	-4,000		-8,000	-8,000	-8,000	-8,000	-8,000											-8,000	-8,000	-32,000	-12,000	-8,000			
LA contributions						-229,478	-239,366	-250,533	-254,826	-277,840	-443,649	-441,271	-438,497	-436,483	-450,007	-182,872	-169,080	-167,021	-165,923	-171,988	-856,000	-849,717	-856,051	-857,232	-899,834			
<b>Gross Income</b>	<b>-415,327</b>	<b>-438,114</b>	<b>-490,565</b>	<b>-461,042</b>	<b>-286,873</b>	<b>-346,256</b>	<b>-306,709</b>	<b>-416,967</b>	<b>-415,889</b>	<b>-285,840</b>	<b>-443,649</b>	<b>-441,271</b>	<b>-438,497</b>	<b>-436,483</b>	<b>-450,007</b>	<b>-182,872</b>	<b>-169,080</b>	<b>-192,021</b>	<b>-190,923</b>	<b>-171,988</b>	<b>-1,091,008</b>	<b>-1,054,772</b>	<b>-1,267,354</b>	<b>-1,243,688</b>	<b>-907,834</b>			
<b>Net Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
LA contribution required per Authority																						-214,000	-212,429	-214,013	-214,308	-224,959		
Increase per Authority over 2009/10																						-1,571	13	308	10,959			
Total increase over 2009/10																						-6,283	51	1,232	43,835			

**Skills & Competitiveness**

<b>Skills &amp; Competitiveness</b> WEP 90	2009/10 £	2010/11 £	2011/12 £	Total £
<u>Employees</u>	88,000	96,581	89,418	273,999
<u>Supplies and services</u>				
Grant (Skills centre)	25,000	25,000		50,000
Project activity		28,438	8,883	37,321
<b>Total expenditure</b>	<b>113,000</b>	<b>150,019</b>	<b>98,301</b>	<b>361,321</b>
<u>Income</u>				
Contributions from other bodies (LSC)	113,000	150,019	98,301	361,321
<b>Net</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note

LSC - Learning &amp; Skills Council; B&amp;NES - Bath and North East Somerset Council

Funding source is £369,450 LSC monies held by Bristol City Council and then transferred to B&amp;NES in Oct 09

Project end date March 2012

LSC has given written consent to move the grant to B&amp;NES from Bristol City Council

<b>Employment &amp; Skills</b> WEP 91	2009/10 £	2010/11 £	2011/12 £	Total £
<u>Employees</u>	0	132,145	66,733	198,878
<u>Premises</u>				
Recharge from WEP 10	0	24,000	12,000	36,000
<u>Supplies and Services</u>				
Project Activity	0	24,500	12,929	37,429
<b>Total expenditure</b>	<b>0</b>	<b>180,645</b>	<b>91,662</b>	<b>272,307</b>
<u>Income</u>				
ESF grant via College	0	180,645	91,662	272,307
<b>Net</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note

2009/10 expenditure is being accounted for by the LSC

ESF (European Social Fund) is held by the College. Project end date is 30/09/2011

<b>West at Work</b> WEP 92	2009/10 £	2010/11 £	2011/12 £	Total £
<u>Employees/ consultancy</u>	0	97,293	39,033	136,326
<u>Indirect Employee costs</u>				
Transport	0	2,000	500	2,500
<u>Supplies and Services</u>				
Project Activity	0	87,600	6,043	93,643
Project Evaluation		16,000	10,000	26,000
<b>Total expenditure</b>	<b>0</b>	<b>214,893</b>	<b>57,576</b>	<b>272,469</b>
<u>Income</u>				
LSC/RDA	0	214,893	57,576	272,469
<b>Net</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note

Funded by the Regional Development Agency

<b>Worklessness</b> WEP	2009/10 £	2010/11 £	2011/12 £	Total £
<u>Employees</u>	920	40,783	3,954	45,657
<b>Total expenditure</b>	<b>920</b>	<b>40,783</b>	<b>3,954</b>	<b>45,657</b>
<b>Income - SWRIEP</b>	<b>920</b>	<b>40,783</b>	<b>3,954</b>	<b>45,657</b>
<b>Net</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note

Funded by the South West Regional Improvement &amp; Efficiency Programme (SWRIEP)