

**REPORT TO:** Cabinet Member Resources

**DATE:** 17 December 2008

**DEPARTMENT:** Resources

**REPORTING OFFICER:** Business Support Manager  
(*Marion Wrightson*)

**SUBJECT:** Draft Business Unit Budget Report 2009/2010  
**Business Support - Department of Resources**

**WARDS AFFECTED:** N/A

**FORWARD PLAN REF:** N/A

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## 1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to consider budget details for Business Support within Department of Resources for which the Resources Cabinet Member is responsible.
- 1.2 The report sets out the following financial information:
- Revised estimates for 2008/2009
  - Draft revenue estimates for 2009/2010 (the proposed base budget)
  - Details of cash savings

The Director of Resources has been consulted during the preparation of this report.

## 2.0 RECOMMENDATION/S

It is recommended that the Cabinet Member (Resources):

- Note the latest position in the revised estimates for 2008/2009
- Note the achieved savings
- Recommend the draft revenue estimates for 2009/2010 to Cabinet

### 3.0 BUSINESS SUPPORT IN DEPARTMENT OF RESOURCES

3.1 The Business Support function within the Department of Resources provides support to those units within the department plus the Department of Corporate Policy and Improvement.

3.2 The report sets out the following Business Unit budgets

- Directorate – Director of Resources
- Finance – provision of departmental finance support for both Department of Resources and Department of Corporate Policy and Improvement
- Administration - provision of secretarial support to Director and Heads of Service within Department of Resources. Provision of all devolved HR processes and a variety of general administration to both departments
- Procurement – provision of a corporate procurement resource providing advice and guidance to services and responsible for cross-organisational procurement
- Staff Agency – scheme whereby individuals are employed on a minimum guaranteed level of hours per week capable of being deployed across HBC to cover staffing shortfalls.

3.3 The summary budget and a full analysis is at appendix A

### 4.0 EXPLANATION OF THE MAJOR VARIANCES

#### 4.1 Key Features of the Revised Estimate for 2008/2009

4.2 The Revised Estimate for the Business Support Unit shows a **net increase of £16,240** on the Original Estimate. Full details appear on page A2 of Appendix A

4.3 The main variations can be summarised as follows:

	£'0000
JEQ costs	+3
Costs for Agresso secondment/development	+22
Net savings from vacant posts	-31
Funding transfer re Procurement Officer appointment	+17
Reserves funding to support procurement	+9
Net reduction in support charges	-8

4.4 The Business Support Finance Manager has been seconded from March to December of 2008 to focus on development of Agresso, in particular on web-based reporting. To accommodate this there has been a number of acting up arrangements in place within the Finance Team. The funding for this secondment has come from a number of sources and fed through this budget.

4.5 Funding has been transferred from DCPI to contribute to the Procurement Officer post and an e-Marketplace provider. The balance of the costs of this appointment to be realised from savings resulting from procurement activity

4.6 The vacancies have been mainly within the Directorate Support team.

#### 4.8 **Key Features of the Draft 2009/2010 Budget**

4.9 The Original Estimate for the Business Support Unit shows a **net increase of £48,300** on the Original Estimate for 2008/09. Full details appear on page A3 of Appendix A

4.10 The main variations can be summarised as follows:

	£'000
Pay Award, 2.5% Ni and Superannuation increase from 21% 5o 21.5%	+16
JE costs	+5
Procurement Officer – budget transfer from DCPI	+17
Procurement Officer – to fund from savings – users recharged	+24
Cash Savings	-7

4.11 The Procurement Officer appointment was for two years with the requirement to be supported via procurement savings. There is a budget amount available that funds a proportion of the salary. This represents the element of activity in support of procurement that doesn't result in cash savings ie guidance, advice and ensuring compliance.

### 5.0 **CASH EFFICIENCY SAVINGS**

#### 5.1 **Cash Savings**

Savings achieved of £7,000 to meet the 3% target arise from deletion of the overtime budgets held plus reduction to the equipment budget.

The majority of the overtime budget related to the Staff Agency budget which now only supports one part-time post. For the future all short-term staffing needs are to be mainly met via Agency companies operating under the Leeds Framework agreement.

### 6.0 **RISK MANAGEMENT**

6.1 In relation to Business Support there is little risk to most of the Business Unit's estimates. The budget can be fairly accurately predicted with the main costs being employee costs and running expenses.

### 7.0 **USE OF RESERVES**

7.1 In line with CIPFA Guidance, reserves are reviewed as part of both final accounts and the budget process.

7.2 The use of Business Unit reserves in the current and future years is subject to report to Council in September of each year. Expenditure from Business Unit Reserves is subject to Business Unit rules regarding the level of authority.

7.3 There are no earmarked reserves for this business unit.

### 8.0 **SCRUTINY**

8.1 This report will be considered by the Organisation, Improvement and Environment Commission at its meeting on 14 January 2008.

**Background Papers -**

**OFFICER CONTACT:** Please contact Marion Wrightson if you require any further information on the contents of this report. The officer can be contacted at Council Offices, Crescent Gardens, Harrogate by telephone on 01423 556166 or by Email – marion.wrightson@harrogate.gov.uk

**SUSTAINABILITY ASSESSMENT / POLICY CONSIDERATIONS**

		Implications are		
		Positive	Neutral	Negative
A	Economy		√	
B	Environment		√	
C	Social Equity		√	
i)	General		√	
ii)	Customer Care / People with Disabilities		√	
iii)	Health Implications		√	
D	Crime and Disorder Implications		√	

If all comments lie within the shaded areas, the proposal is sustainable.