

**Joint Committee  
25th November 2010**

**REGULATORY SERVICES BUDGET 2011/12 – 2013/14**

**Recommendation**

That the budget for 2011/12 – 2013/14 be approved.

**Contribution to  
Priorities**

The development of a robust budget and financial management framework will ensure the priorities of the service are delivered within the agreed budget.

**Introduction/Summary**

The budget for 2011/12 was included in the original business case for Regulatory Services as implemented 1<sup>st</sup> July 2010.

**Background**

The development of the business case for Regulatory Services included a detailed analysis of the financial implications for each partner.

Following the formal agreement of the financial arrangements a number of discussions have been held to review the assumptions made and to ensure all services provided by Regulatory Services are included in the financial projections.

**Report**

Officers have reviewed the financial position based on estimated expenditure and have prepared a detailed budget as attached at Appendix 1. This reflects the financial position associated with the establishment that will be in place following the initial restructure.

The following assumptions have been made during the compilation of this budget:

- The costs attributed to general expenditure have been included based on the business case with no increase for inflation.
- Salary budget has been included as per the establishment in the original business case.
- Savings to be identified following the restructure amount to £92k, due to job evaluation and timing of filling the new structure, this will be monitored during

the year to ensure it is achieved.

- Following the approval of the formal agreement it has been identified that there are three posts which have not been transferred. These relate to 2 posts at Redditch BC and 1 at Worcester City. The due diligence failures have built in pressures for the partners concerned and that this matter will be considered as part of the development of the new cost sharing arrangements to be agreed by 2013.
- The Government have reduced the funding in relation to the DEFRA Grant, this is the first asymmetric impact on the partnership. This will have asymmetric implications on the future cost shares under the terms of the legal agreement.

The HOS has agreed that the savings to be identified following the restructure can be achieved during 2011/12, but cannot identify which posts will be cut from the establishment as this will be done over the next few months of the restructure implementation.

**Financial Implications**

None other than those stated in the Appendix

**Sustainability**

None as a direct result of this report

**Contact Points**

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**Background Papers**

Detailed financial business case

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